

Alternative Investments Spotlight

Don't Forget to Hedge Your Bets

Q1 2026

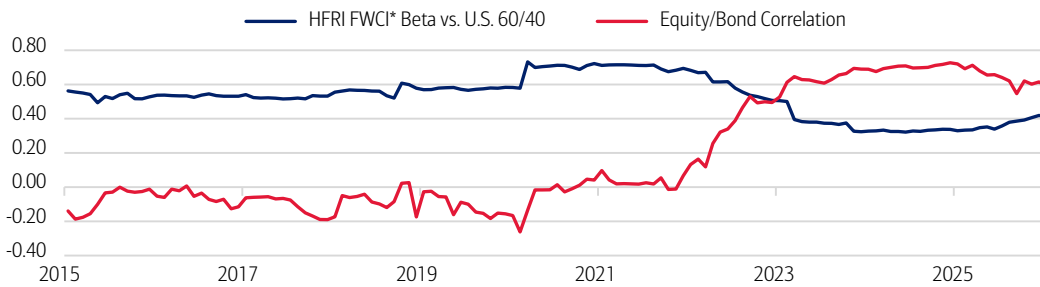
All data, projections and opinions are as of January 31, 2026 and subject to change.

KEY TAKEAWAYS

- Hedge Strategies (HS) delivered one of their strongest years since the 2008/2009 Global Financial Crisis (GFC), with 2025 returns overall exceeding 12% and Equity Hedge (EH) strategies generating roughly 17% alongside meaningful alpha versus public markets. In a period marked by elevated valuations and shifting macro currents, HS continued to demonstrate durable diversification benefits—a dynamic that has become more pronounced in the post-pandemic regime of higher rates and greater dispersion.
- Private Equity (PE) activity rebounded sharply in 2025, with U.S. deal volumes surpassing \$1 trillion and exit activity rising above \$700 billion. A supportive macro backdrop and renewed corporate confidence position PE for continued momentum into 2026.
- Private Credit (PC) enters 2026 facing a new focal risk: Artificial Intelligence (AI)-driven disruption of software businesses. While credit fundamentals remain broadly stable and returns have been consistent, investors are increasingly focused on whether incumbent Software as a Service (SaaS) borrowers, which comprise a meaningful share of PC exposures (around 20%), may face pressure from emerging AI-native competitors. Publicly-traded Business Development Companies (BDC) have already reflected this concern, falling 20% from July 2025 through early February 2026.

THEMATIC SPOTLIGHT — HEDGE STRATEGIES RISE AGAIN

Rolling 3-Year Stock-Bond Correlations and Hedge Strategies Beta.¹



Source: HFR, Inc., eVestment, Bloomberg. *HFRI Fund-Weighted Composite Index (FWCI). Equities represented by the S&P 500 Total Return Index. Bonds represented by the Bloomberg U.S. Aggregate Bond Index. 60/40 portfolio represented by 60% S&P 500 Total Return (TR)/40% Bloomberg U.S. Aggregate. **Many products that pursue Alternative Investment strategies are available only to qualified investors. Past performance is no guarantee of future results. FOR INFORMATIONAL PURPOSES ONLY. Please refer to important disclosures at the end of this report.**

- HS delivered over 12% in 2025, the strongest year since the GFC. EH strategies produced returns of approximately 17%, generating meaningful alpha relative to public markets.
- Performance strength in 2025 reinforces a broader post-pandemic shift: After years of muted results during the quantitative easing-driven 2010s, HS have benefited from a regime of higher rates and greater dispersion, factors which are driving an expanded opportunity set.
- HS have also increased their diversification value. As stock-bond correlations have risen, HS betas to traditional 60/40 portfolios have declined, enhancing their role as ballast within multi-asset portfolios.

¹ Beta is a measurement of its volatility of returns relative to the entire market.

CIO VIEWS ON ALTERNATIVE INVESTMENT STRATEGIES

Hedge Strategies ▶

+ Equity Hedge

Event Driven

Relative Value

+ Macro

Private Equity ▶

Buyout

+ Venture Capital / Growth Equity

Special Situations

Private Credit ▶

Direct Lending

Subordinated Capital

Asset Based / Specialty Finance

Private Real Estate ▶

Private Real Estate

+ Infrastructure

Tangible Assets

Commodities / Natural Resources

+ symbol indicates the strategies CIO views as having the most favorable opportunity set for new investment within the Alts asset classes.

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Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Please see last page for important disclosure information.

HEDGE STRATEGIES

Performance²

- HS ended 2025 on solid footing, returning 2.9% in Q4 and 12.9% for the full year, marking the strongest annual showing since the GFC.
- EH strategies led the group with 3.3% in Q4 and 17.3% for the year (versus 17.9% for the S&P 500). Given hedged net exposures, this represents another year of solid alpha³ generation relative to public Equities following a similarly strong alpha year in 2024.
- After navigating several sharp factor-rotation episodes, quantitative EH managers ultimately closed the year with double-digit gains.
- Beyond EH, Event Driven (ED), Relative Value (RV), and Macro strategies all posted 7% to 11% returns in 2025, while trend-following strategies (a subset of Macro), which were challenged early in the year by tariff-driven reversals, still finished with positive low-single-digit results.

Hedge Strategies Performance.

Index Performance	Q4 2025	1-Year Annualized Return	3-Year Annualized Return	5-Year Annualized Return
HFRI Fund Weighted Composite	2.9%	12.9%	10.3%	7.2%
HFRI Equity Hedge	3.3%	17.3%	13.5%	8.0%
HFRI Event Driven	2.2%	11.4%	10.5%	7.6%
HFRI Relative Value	1.4%	7.8%	7.8%	6.0%
HFRI Macro	3.6%	7.6%	4.2%	5.8%

Source: HFR, Inc., eVestment. Data as of January 31, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

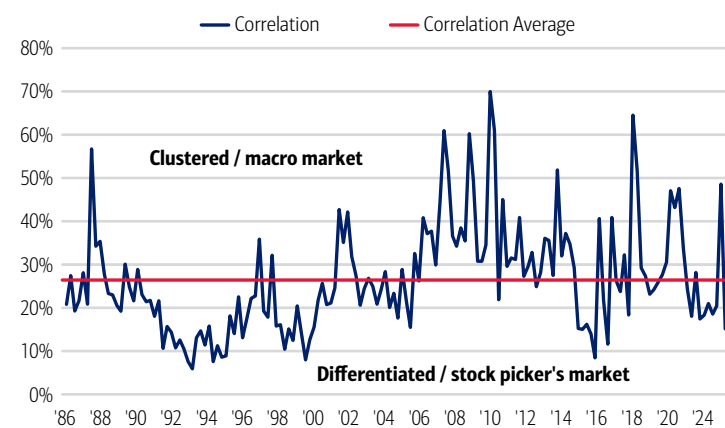
Assets⁴

- HS attracted \$45 billion (B) in net inflows during Q4, surpassing the prior quarter and marking the best quarterly intake since 2007. Total net inflows for the full year surged to \$11B, also the strongest year since 2007. Total assets under management (AUM) now stand at \$5.2 trillion (T).
- While multi-strategy RV funds (notably, multi-portfolio manager pod shops) remain dominant in fundraising, 2025 saw a broadening of demand, with EH strategies also capturing meaningful inflows.

Opportunities & Outlook⁵

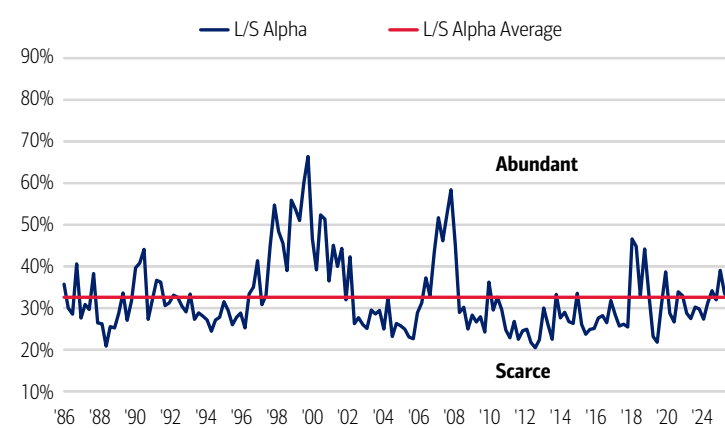
- Over the last five years, HS have outperformed traditional 60/40 Equity and Fixed Income portfolios with meaningful alpha.
- Elevated valuations and positive stock-bond correlations in recent years increase the value of strategies with low net exposures or muted correlations to traditional assets.
- Increasing Equity dispersion and declining correlations favor long/short stock selection, with AI-driven differentiation across leaders and laggards creating additional alpha potential.
- Macro strategies remain important diversifiers, with low-to-negative correlations to Equities and Fixed Income, and potential opportunities arising from shifting macroeconomic and geopolitical regimes.

Exhibit 1: Equity Correlations Favor Stock-Picking.



Source: BofA Global Research. Data as of January 31, 2026.

Exhibit 2: Equity Dispersion Supports Long/Short (L/S) Alpha Generation.



Source: BofA Global Research. Data as of January 31, 2026.

² HFR, Inc., Bloomberg, BofA Securities, Goldman Sachs Prime Services, Morgan Stanley Prime Brokerage.

³ Alpha is the portion of returns that cannot be explained by market exposure (beta). It represents the manager's skill in generating excess returns above what would be expected given the fund's risk profile.

⁴ HFR, Inc.

⁵ HFR, Inc., eVestment. HFRI Fund-Weighted Composite Index versus a 60% MSCI ACWI Index/40% Bloomberg Global Aggregate Bond Index over the five-year period ending December 31, 2025.

PRIVATE EQUITY

Performance⁶

- Buyout (BO) and Venture Capital (VC)/Growth Equity (GE) strategies continued to generate positive returns, with BO up 1.8% in Q3, lifting the 1-year internal rate of return (IRR) to 8.3%. Earnings from publicly listed Alts managers point to an additional around 3% gross gain in Q4.
- VC/GE strategies gained 4.3% in Q3, bringing the 1-year IRR to 12.8%, as performance continued to reaccelerate following the multi-year correction that began in 2022.
- The performance divergence observed in recent years—BO resilience vs. VC/GE repricing—has potentially begun to narrow as VC/GE benefits from improving fundamentals and renewed momentum of AI-related themes.

Private Equity Performance.

Performance	Q3 2025	1-Year IRR	3-Year IRR	5-Year IRR
Buyout	1.8%	8.3%	9.5%	13.6%
Venture/Growth	4.3%	12.8%	4.2%	11.7%
Special Situations	1.2%	4.5%	6.5%	11.3%

Sources: Cambridge Associates, LSEG. Data through Q3 2025. As of January 31, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

Assets⁷

- Fundraising remained subdued, declining ~35% to \$580B on a rolling 12-month basis through Q3 as limited partners (LP) continued to pace commitments cautiously.
- Total PE AUM reached \$9.5T as of Q1 2025, including \$2.5T in dry powder, reflecting both slower deployment and continued long-term capital availability.

Transactions⁸

- U.S. PE investment activity rebounded sharply in 2025, rising 36% to \$1.2T, making it the second-highest annual total on record behind 2021.
- Exit activity surged to \$728B, up 90% from 2024, driven by improved valuations, stronger liquidity conditions, and more stable trade-related dynamics.
- VC deal volumes followed a similar pattern: U.S. VC investment reached \$339B (+59%, second to 2021), while exits grew 93% to \$298B, healthy though still below levels seen in 2019 to 2021.
- Secondaries posted a record \$226B in volume, with LP-led deals at \$120B and general partner (GP)-led transactions at \$106B, reflecting the growing role of secondaries in portfolio management. 2025 volume represented a 41% increase from the prior year.

Exhibit 3: U.S. PE Transaction Activity.

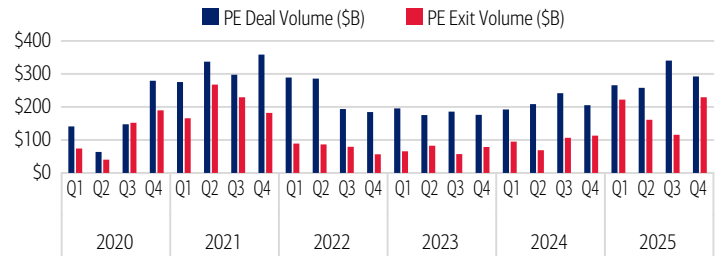


Exhibit 4: U.S. VC Transaction Activity.

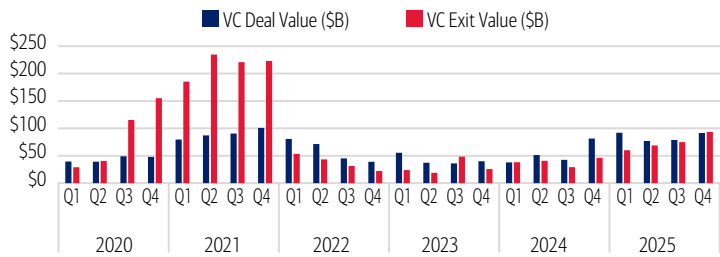


Exhibit 3 Source: PitchBook, Inc. Data as of January 31, 2026.

Exhibit 4 Source: PitchBook, Inc. Data as of January 31, 2026.

Valuations⁹

- Leveraged Buyout (LBO) purchase price multiples remained stable from a buyer's standpoint: The average syndicated-loan-financed LBO multiple was 11.2x, comparable to 11.0x in 2024. BO valuations remain elevated relative to history but continue to sit below public equity multiples.
- VC valuations continue to normalize, though the headline figures mask a bifurcated landscape: AI-driven names are expanding rapidly, while non-AI categories face flatter or more modest step-ups.

Exhibit 5: Broadly Syndicated Loan (BLS)-Funded LBO Multiples.

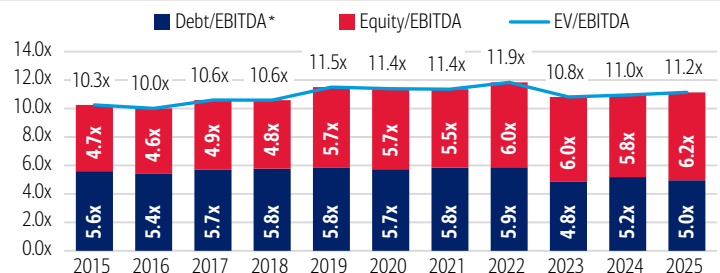


Exhibit 6: VC Median Step-Up by Series.

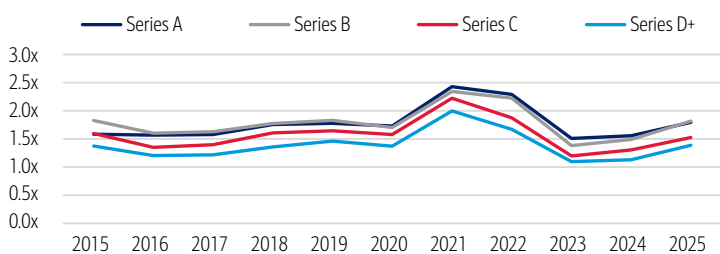


Exhibit 5: *Earnings before interest, taxes, depreciation and amortization. Source: PitchBook, Inc. Data through Q4 2025. As of January 31, 2026. Exhibit 6 Source: PitchBook, Inc. Data through Q4 2025. As of January 31, 2026.

⁹ PitchBook, Inc., Bloomberg.

⁶ Cambridge Associates, LSEG.

⁷ PitchBook, Inc., Preqin.

⁸ PitchBook, Inc., Evercore.

Opportunities & Outlook¹⁰

- Although entry valuations are not cheap from a long-term perspective, they have been at the lower end of their range over the past five years. Financial leverage in BO deals has increased as rates have fallen, but it remains below the levels seen for much of the 2010s. If the Federal Reserve continues to cut rates, we expect managers to be able to slightly increase leverage on future deals as a way to boost expected returns.
- VC funding conditions are at cycle lows, which may benefit allocators able to deploy capital now, improving access to top-tier managers.
- AI is a double-edged sword for VC: While it is driving a new capital and innovation supercycle, the concentration of value increases dispersion risk should expectations moderate. VC has always operated under a power law, in which a small number of investments drive most returns, but the uncertainty about the AI theme's durability could amplify this dynamic.
- Growth Equity demand remains healthy as VC-backed firms seek capital for runway extension or acquisition strategies. Growth Equity increasingly fills an important capital niche and aligns with a mega-trend of companies staying private for longer than they have historically.
- Secondaries continue to expand across strategies, with PC secondaries and infrastructure secondaries gaining traction and supporting LP portfolio rebalancing and liquidity management. Given their diversified nature and accelerated cash flow profiles, secondaries are becoming more prominent core allocations within PE and broader private markets portfolios.

¹⁰ BofA Global Research, PitchBook, Inc., Prequin, Bloomberg.

PRIVATE CREDIT

Performance¹¹

- PC strategies returned around 1.5% in Q3, bringing the 1-year IRR to roughly 8.6%.
- Despite steady return delivery, investor attention entering 2026 has shifted toward AI-related disruption risk for incumbent SaaS borrowers, a notable thematic pivot from last year’s focus on generalized credit deterioration. Public BDCs have reflected these concerns, declining around 20% from mid-July 2025 through early February 2026.

Private Credit Performance.

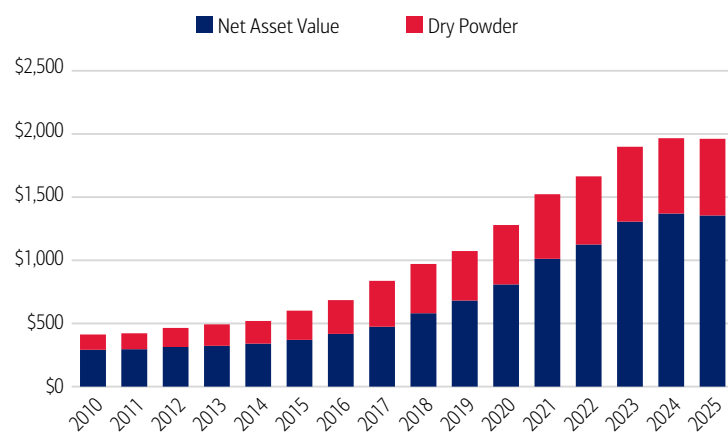
Performance	Q3 2025	1-Year IRR	3-Year IRR	5-Year IRR
Private Credit	1.5%	8.6%	10.6%	9.8%

Sources: Cambridge Associates, LSEG. Data through Q3 2025. As of January 31, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

Assets¹²

- Fundraising moderated in 2025, with capital more broadly distributed across strategies as allocators diversified beyond DL into distressed, special situations, real estate debt, and other subsegments.
- Total PC AUM reached \$1.9T, with an estimated \$600B in dry powder, underscoring strong long-term interest despite shorter-term positioning shifts.

Exhibit 7: PC AUM (\$B).



Source: PitchBook, Inc. 2025 Data through March 31, 2025.

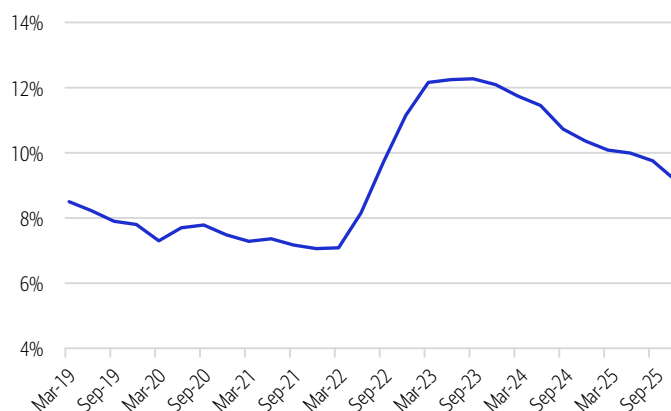
Transactions¹³

- Deal activity remained muted relative to 2024, with DL volumes down 11% and deal counts down 16%, though 2025 still ranked as the second-busiest year in at least eight years.
- In the tug-of-war for flow, DL captured \$36.9B of refinancing activity from broadly syndicated loan (BSL) markets, slightly outpacing the \$34.1B that flowed back into BSL.
- Refinancings and recapitalizations constituted a larger share of DL volumes given muted LBO activity, though the expected pickup in PE dealmaking may provide an incremental boost to new issuance.

Valuations¹⁴

- DL yields continued to decline, falling to roughly 9.2% by year-end (from 10.4% at the end of 2024), largely driven by lower base rates.
- Spreads held steady near 500 basis points (bps) in Q4; for the full year, U.S. DL spreads tightened by around 25 bps. BofA Global Research expects new-issue DL spreads to widen to ~540 bps in 2026, reflecting weaker fundraising and closer scrutiny of asset health.
- DL spreads relative to broadly syndicated loans tightened to approximately 199 bps, maintaining a structural premium to public leveraged credit.

Exhibit 8: Direct Lending First Lien Yields.



Source: BofA Global Research. Data as of December 31, 2025.

¹¹ Cambridge Associates, LSEG, S&P BDC Index.

¹² PitchBook, Inc., Preqin.

¹³ PitchBook, Inc.

¹⁴ BofA Global Research, PitchBook, Inc.

Opportunities & Outlook¹⁵

- PC conditions are broadly supportive despite isolated credit events. Elevated valuations and declining yields suggest lower forward returns, though risk-adjusted outcomes may improve in a lower-rate environment.
- The key thematic risk for DL has shifted to AI-driven disruption to SaaS borrowers. DL exposures to software are estimated at around 18% to 20%, following PE dealmaking trends over the past decade. DL SaaS exposures exceed the BSL market's of around 14%.
- AI-driven disruption is a multifaceted and economywide risk (and potential opportunity) and not confined to PC or any single asset class. The optimistic case for PC is built on:
 - Low loan-to-value (LTV) ratios and large equity cushions, which could insulate DL given a senior secured position in the capital stack. Leverage profiles, however, can vary dramatically—across borrowers, lenders, vintages, and funds/vehicles.
 - Incumbent SaaS companies are alert to the risk and potentially well positioned to fight back or even coopt the AI-transition with their own built-in AI tools and the ability to create moats and firewalls around data and interoperability.
 - Market action included indiscriminate selling—at the end of January 2026 80% to 90% of BSLs had seen negative price action since the beginning of the drawdown—underscoring the breadth of underperformance and suggesting potential opportunity for selective investors.
- The bear case would be:
 - That AI will transform the business and growth models for existing SaaS companies by either replacing them or facilitating the creation of new competitors.
 - Losses could be felt most acutely in middle-market borrowers with limited strategic flexibility, though large equity cushions and low LTVs may mitigate downside in many cases.
 - While potential losses related to this theme could have greater negative implications for equity valuations (both private and public), DL could ultimately see capital losses, which would be a jolt to an asset class that has yet to experience a major credit cycle.
- Looking beyond the AI-disruption theme, the increasing levels of PE deal volume are expected to pull in new deployment potential opportunities for PC.
- Growth is also expanding in private investment-grade lending, asset-based financing and real estate/infrastructure credit, offering avenues to diversify away from DL, which has dominated the asset class in recent years.

¹⁵ BofA Global Research.

Performance¹⁶

- Private Real Estate (PRE) funds—largely value-add and opportunistic—posted Q3 and 1-year IRRs of -0.4% and -0.1%, respectively, reflecting tentative ongoing momentum.
 - Broader real estate indicators were mixed: U.S. open-end core funds rose 0.7% in Q4 and 2.9% for the year, while commercial real estate (CRE) prices fell 0.9% in Q4 but were modestly positive (+0.2%) for 2025 overall.
- Infrastructure returned 2.0% in Q3, bringing 1-year IRRs to about 8.6%. The asset class has consistently produced high-single- to low-double-digit returns across both rate-hiking and rate-cutting cycles.

Real Assets Performance.

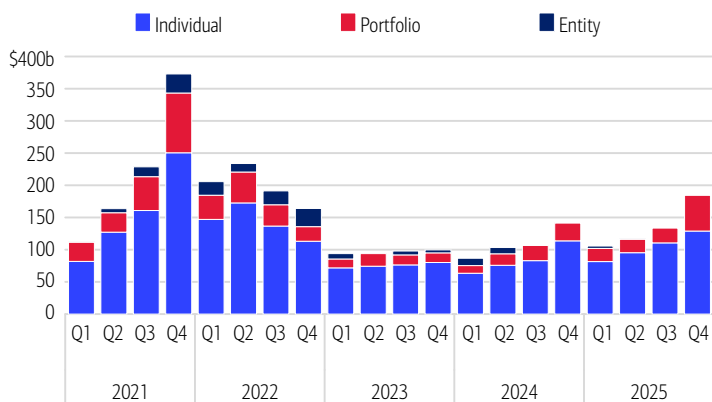
Performance	Q3 2025	1-Year IRR	3-Year IRR	5-Year IRR
Private Real Estate	-0.4%	-0.1%	-1.3%	5.4%
Infrastructure	2.0%	8.6%	10.1%	11.1%

Source: Cambridge Associates, LSEG. Data through Q3 2025. As of January 31, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

Transactions¹⁷

- U.S. CRE deal volumes climbed 23% in 2025 to \$545B. Activity increased across nearly all property sectors, including office. Pricing in the office as well as retail sectors appears to have fallen enough to draw in buyers, boosting dealmaking.
- Infrastructure deal volume, by contrast, fell approximately 20%, reflecting the drag from trade and policy volatility, which temporarily interrupted the asset class’s long-running secular growth trend.

Exhibit 9: U.S. CRE Transaction Volumes.

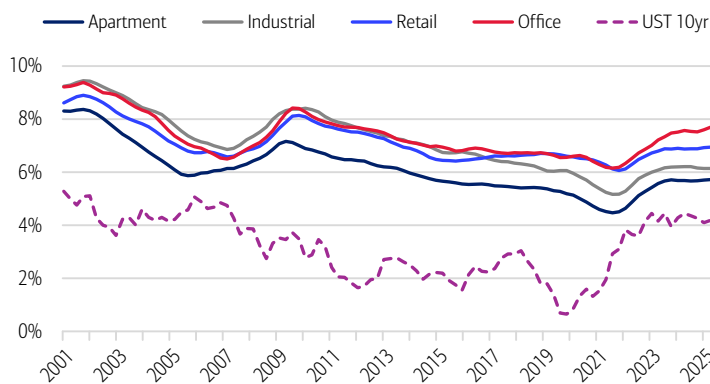


Source: MSCI Real Capital Analytics. Data as of January 31, 2026.

Opportunities & Outlook¹⁸

- Even though activity remains below prior-cycle peaks, stabilizing CRE prices and rising transaction volumes signal continued improvement in liquidity and investor sentiment. Financing conditions have meaningfully improved, with lending capacity returning across most lender types.
- Cap rates, having risen from 2022 lows, now sit near historically normal levels. The pressure from elevated 10-year Treasury yields, meanwhile, has eased modestly, and investors continue to expect a widening spread. PRE also looks increasingly attractive relative to other risk assets. PRE undervaluation versus public equities (measured by comparing the Shiller CAPE ratio with a PRE CAPE developed by MSCI Real Capital Analytics) has approached levels last seen during the late-1990’s dot-com era.
- Policy efforts aimed at lowering rates and supporting housing demand may provide incremental tailwinds for certain CRE segments.
- Infrastructure remains an important component for investors seeking inflation sensitivity and long-duration exposure. Data center growth continues to be a structural theme in the coming years. The expansion of cloud computing, AI deployment, and global data consumption is driving rapid increases in electricity demand from data centers. According to Bloomberg, data centers are expected to account for 4.5% of global final power consumption by 2035 and nearly double that share by 2050.

Exhibit 10: CRE Cap Rates.



Sources: MSCI Real Capital Analytics; Federal Reserve Economic Data. as of January 31, 2026.

¹⁶ Cambridge Associates, LSEG, MSCI Real Capital Analytics, NCREIF.

¹⁷ MSCI Real Capital Analytics, Prequin.

¹⁸ MSCI Real Capital Analytics, Prequin, BloombergNEF: “New Energy Outlook”, 2025.

CIO VIEWS ON ALTS STRATEGIES

HEDGE STRATEGIES

+ Equity Hedge

Event Driven

- EH will likely benefit from decent equity dispersion, driving alpha generation. Micro-dominated markets should be better for stock selection. Hedged approach appealing given high equity valuations.

Relative Value

- Macro appealing for low correlations to Equities/Fixed Income in uncertain policy environment.

+ Macro

PRIVATE EQUITY

Buyout

+ Venture Capital / Growth Equity

- VC/GE expected to benefit if AI theme proves durable. Early-stage capital also tied to trend of companies staying private for longer and incubating next gen tech disruptors.

Special Situations

- BO to also expected to benefit from lower rates.

PRIVATE CREDIT

Direct Lending

Subordinated Capital

Asset Based / Specialty Finance

- Neutral across PC. DL to see declining returns with lower rates and climbing credit losses. Positive: more PE deals should increase DL deployment opportunities, potentially with wider spreads.

PRIVATE REAL ESTATE

Private Real Estate

- Infrastructure tied to global trends of energy demand and digitization, with inflation-hedge characteristics.

+ Infrastructure

- PRE should continue to stabilize with outlook improving.

TANGIBLE ASSETS

Commodities / Neutral Resources

+ symbol indicates the strategies CIO views as having the most favorable opportunity set for new investment within the Alts asset classes.

CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio. Because economic and market conditions change, recommended allocations may vary in the future. All asset allocation recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. Alternative investments such as derivatives, hedge strategies, private equity & credit funds and funds of funds can result in higher return potential, but also higher loss potential. ***Many products that pursue Alternative Investment strategies, specifically Private Equity & Credit and Hedge Strategies, are available only to qualified investors.**

Source: Global Wealth & Investment Management Investment Strategy Committee as of January 6, 2026. Asset allocation and diversification do not ensure a profit or protect against loss in declining markets.

Glossary of Terms

Valuations is the process of determining the present value of an asset.

Correlation describes a relationship or connection between two or more things, especially when changes in one are associated with changes in the other.

Internal Rate of Return (IRR) is a metric used in financial analysis to estimate the profitability of potential investments.

Dry Powder refers to highly liquid cash reserves or marketable securities held by investors, private equity firms, or corporations to fund future investments, acquisitions, or operational needs.

Shiller CAPE ratio (Cyclically Adjusted Price-to-Earnings) is a stock market valuation metric developed by Nobel laureate Robert Shiller that divides a current price index (like the S&P 500) by the average of 10 years of inflation-adjusted earnings. It is used to assess long-term market valuation and forecast future, lower returns when the ratio is historically high, helping to smooth out business cycles.

Asset Class Proxies and Index Definitions

The indices defined below are unmanaged, include the reinvestment of dividends when applicable, do not reflect the impact of transaction fees, management fees, or incentive compensation, and are not available for investment. They are included here for illustrative purposes.

S&P 500 Index is a stock market index tracking the stock performance of 500 leading companies listed on stock exchanges in the United States.

Equities/60%/S&P 500 Index Total Return includes dividends, unlike the standard S&P Index (SPX). The major difference between price return and total return indices is the inclusion of dividends and cash payouts in the latter.

Bonds/40% Fixed Income/Bloomberg U.S. Aggregate Bond Index represents a close estimation of the performance that can be achieved by hedging the currency exposure of its parent index.

Equity 60%/ MSCI All-Country World Index captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.

HFRI Fund-Weighted Composite Index is a global, equal-weighted index of hedge funds with minimum assets under management of USD \$500MM which report to the HFR Database and are open to new investments.

HFRI Equity Hedge (Total) Index is a global, equal-weighted index of hedge funds with minimum assets under management of USD \$500MM which report to the HFR Database and are open to new investments.

HFRI Event Driven (Total) Index is a global, equal-weighted index of single-manager funds that report to the HFR Database.

HFRI Relative Value (Total) Index is investment managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

HFRI Macro (Total) Index: Investment Managers which trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom up theses, quantitative and fundamental approaches and long and short term holding periods. Although some strategies employ RV techniques, Macro strategies are distinct from RV strategies in that the primary investment thesis is predicated on predicted or future movements in the underlying instruments, rather than realization of a valuation discrepancy between securities. In a similar way, while both Macro and equity hedge managers may hold equity securities, the overriding investment thesis is predicated on the impact movements in underlying macroeconomic variables may have on security prices, as opposed to EH, in which the fundamental characteristics on the company are the most significant are integral to investment thesis.

HFRI Field-Weighted Citation Impact (FWCI) is a metric that accounts for both discipline and timescale and is the ratio of the citations received by an entity's outputs and the average number of citations received by all other similar outputs.

Special Situations/Cambridge Associates LLC Special Situations Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of special situations funds (inclusive of control-oriented distressed and credit opportunities), including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

Private Real Estate/Cambridge Associates LLC Private Real Estate Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of private real estate funds, including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): The NFI-ODCE Index is a capitalization-weighted, gross of fees, time-weighted return index with an inception date of January 1, 1978. Open-end Funds are generally defined as infinite-life vehicles consisting of multiple investors who have the ability to enter or exit the fund on a periodic basis.

Buyout/Cambridge Associates LLC Buyout Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of buyout funds, including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

Venture Capital/Growth/ Cambridge Associates LLC Venture Capital/Growth Equity Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of venture capital and growth equity funds, including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

Private Credit/Cambridge Associates LLC Private Credit Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of private credit funds (inclusive of senior debt, subordinated capital and credit opportunities), including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

Infrastructure/Cambridge Associates LLC Infrastructure Index: The index is a horizon calculation based on data compiled from Cambridge Associates' database of infrastructure funds, including fully liquidated partnerships, formed between 1981 to present day. The index uses pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

S&P BDC Index is designed to track leading business development companies that trade on major U.S. exchanges.

Important Disclosures

Investing involves risk, including the possible loss of principal. Past performance is no guarantee of future results.

Alternative investments are speculative and involve a high degree of risk.

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Investments in private markets involve a high degree of risk and therefore should only be undertaken by qualified investors whose financial resources are sufficient to enable them to assume these risks and to bear the loss of all or part of their investment. Investments in private markets include significant risks not otherwise present in public market investments. Furthermore, private market investors are afforded less regulatory protections than investors in registered public securities.

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Nonfinancial assets, such as closely-held businesses, real estate, fine art, oil, gas and mineral properties, and timber, farm and ranch land, are complex in nature and involve risks including total loss of value. Special risk considerations include natural events (for example, earthquakes or fires), complex tax considerations, and lack of liquidity. Nonfinancial assets are not in the best interest of all investors. Always consult with your independent attorney, tax advisor, investment manager, and insurance agent for final recommendations and before changing or implementing any financial, tax, or estate planning strategy.

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