WINTER 2025

Aspire

Riding the Wave

A new presidential administration brings new priorities and a fresh set of opportunities and challenges for investors.

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Adapting to a New Era

SIGNIFICANT CHANGE COULD PUT A PREMIUM ON ACTIVE INSIGHT AND FLEXIBILITY.

Greetings from NB Private Wealth! With the new year underway, I hope that you and yours are having a fruitful start to a potentially rewarding 2025.

This time out, the turn of the calendar brings with it both optimism and caution given the dramatic shift in U.S. governmental leadership. The political pendulum seems to swing with great frequency these days, as skeptical voters often look to new alternatives to help solve stubborn problems. Donald J. Trump, while not a fresh face, represents such a transition, and many are watching closely to see how his agenda develops and affects the economy and markets.

For investors, the potential for deregulation and an extension of the 2017 tax cuts are reasons for optimism, though the budget deficit, possible tariffs and inflation are ongoing worries. As Shannon Saccocia, Chief Investment Officer for Private Wealth, notes on page 3, we are generally constructive on markets, and think that there are attractive opportunities in small- and mid-cap stocks relative to the large-cap leaders of the past year. More broadly, we believe the path to favorable returns may require particular flexibility and attention to new realities.

In our view, flexibility means considering a broader opportunity set. Private markets increasingly serve as a cornerstone of portfolios, offering return potential and diversification beyond traditional assets. With liquidity conditions loosening in the asset class, Private Markets Strategist Chris Bokosky considers how investors can approach building their exposures (see page 11).

Clearly, Washington, DC could be a key focal point for the economy and markets in 2025. As political analyst Frank Kelly observes on page 27, the new Trump administration is more prepared this go-around, and hopes to accomplish as much as possible before attention turns to the 2026 midterm elections. Among

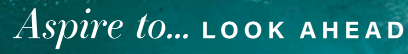
"The year ahead is likely to bring fresh challenges, from the economy to geopolitics to technological change, and we are eager to leverage our capabilities and insights to continue to capitalize on opportunities and manage risk on your behalf."

its priorities is the tax code, and on page 22, Sam Petrucci, Head of Advice, Planning and Fiduciary Services, outlines some of the key proposals affecting individuals while offering a broader wealth planning checklist for the new year.

Finally, with some passive managers stepping away from stewardship, we think active managers have new opportunities to add value when it comes to engagement with companies and analysis of sustainability issues, particularly in relation to climate. Jonathan Bailey, Global Head of Stewardship and Sustainable Investing, provides a window into this trend and the tools at our disposal to enhance investment outcomes (see page 17).

Looking back on 2024, I am proud of how we helped guide investors through an intricate and changing environment. The year ahead is likely to bring fresh challenges, from the economy to geopolitics to technological change, and we are eager to leverage our capabilities and insights to continue to capitalize on opportunities and manage risk on your behalf.

In closing, I want to extend our deepest sympathy to the victims of the devastating Los Angeles wildfires, with the hope that those affected can soon begin to rebuild and restore normalcy to their lives and communities. We are thinking of you during this difficult time.

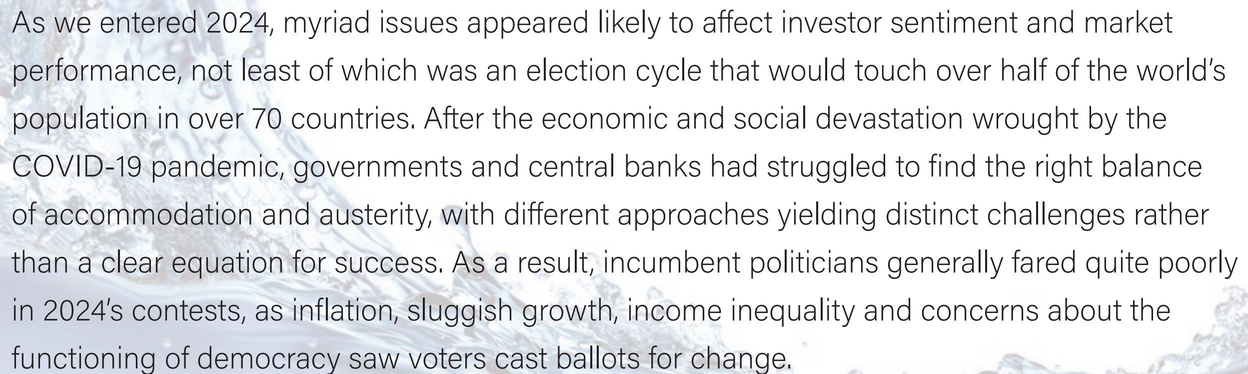


SHANNON L. SACCOCIA, CFA
Chief Investment Officer—Private Wealth

MARKET OUTLOOK

Riding the Wave

A NEW PRESIDENTIAL ADMINISTRATION BRINGS NEW PRIORITIES AND A FRESH SET OF OPPORTUNITIES AND CHALLENGES FOR INVESTORS.



As we entered 2024, myriad issues appeared likely to affect investor sentiment and market performance, not least of which was an election cycle that would touch over half of the world's population in over 70 countries. After the economic and social devastation wrought by the COVID-19 pandemic, governments and central banks had struggled to find the right balance of accommodation and austerity, with different approaches yielding distinct challenges rather than a clear equation for success. As a result, incumbent politicians generally fared quite poorly in 2024's contests, as inflation, sluggish growth, income inequality and concerns about the functioning of democracy saw voters cast ballots for change.

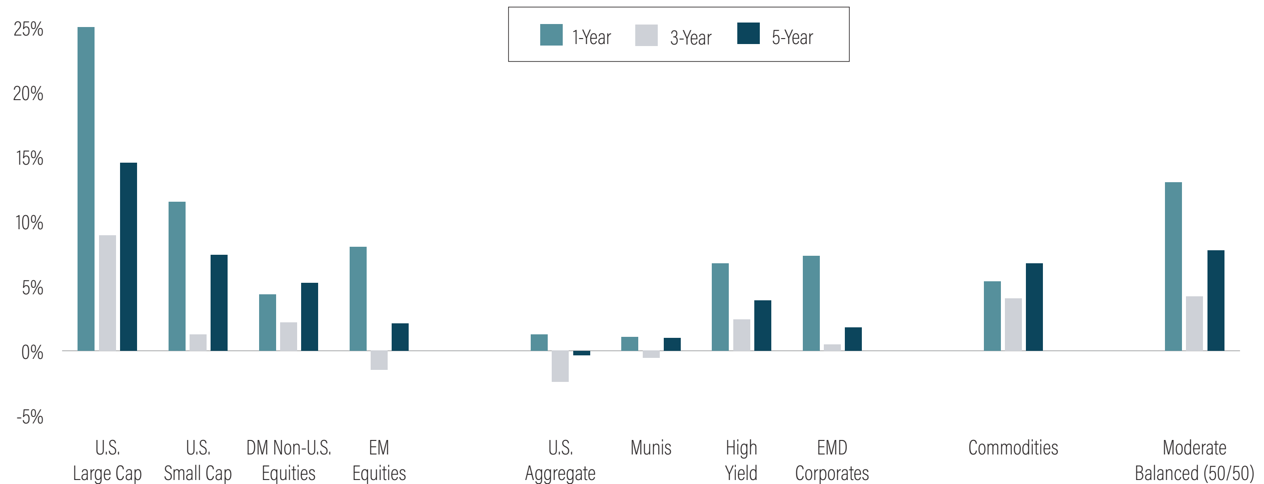
Perhaps the most pivotal of these elections was the U.S. presidential contest this past November. Only the second U.S. president elected to a non-sequential second term, Donald J. Trump rode a wave of discontent to win both the popular and electoral votes. Pulling along an array of down-ballot candidates, Trump helped turn Capitol Hill "red," with GOP majorities in both the Senate and House of Representatives. That said, the way ahead may be less than smooth, as suggested by recent struggles around spending measures and House leadership, among other issues.

Financial markets wasted little time in reacting to the pillars of the new Trump administration's economic plan—including the extension of the 2017 Tax Cuts and Jobs Act, lighter regulation, modification and/or the addition of tariffs, and action on immigration. U.S. equities surged on expectations of continued low corporate tax rates, increased deal-making, reduced government bureaucracy, and the follow-on impacts of higher economic and topline sales growth. Credit markets also performed well in the weeks following the election, while precious metals and Treasuries were underperformers.

Diving deeper, the initial equity rally focused on areas that had yet to fully benefit from the last two years of market strength: U.S. small caps, financials, energy and industrials were some of these winners. As the quarter wore on, leadership shifted back to prior winners—namely, U.S. large-cap equities and, within that segment, growth stocks in the consumer discretionary, technology and communication services sectors. While the shift may have been due in part to investor positioning changes, political uncertainty could also have been a factor: Although potentially disruptive tariffs could occur almost immediately, the benefits of deregulation and M&A activity could take months to bear fruit. Either way, despite the potential for broadening returns given a rosier outlook associated with the new political regime, investors found comfort in a couple of places to close out the year: concentrated large-cap names, short-duration fixed income and cash.

U.S. LARGE CAPS DOMINATED IN 2024

Total Returns (%)



Source: Bloomberg, as of December 31, 2024. U.S. Large Cap, Growth, Value and Small Cap, DM non-U.S. Equities, EM Equities, Munis, U.S. Aggregate, Short Duration, Long Duration, High Yield, EMD Corporates, EMD Sovereigns, Commodities and Balanced Income (50/50) are represented, respectively, by the following indices: S&P 500 Total Return, Russell 1000 Growth, Russell 1000 Value, Russell 2000 Total Return, MSCI EAFE Total Return (USD), MSCI Emerging Market Total Return (USD), Bloomberg Barclays U.S. Municipal Bond Total Return, Bloomberg Barclays U.S. Aggregate Bond Total Return, Bloomberg Barclays U.S. High Yield BB/B 2% Issuer Cap Total Return, JPM Corp EMBI, JPM EMBI Global Diversified, Bloomberg Commodity Total Return, and 50% S&P 500 and 50% Bloomberg Barclays U.S. Municipal Bond Total Return. **Past performance is no guarantee of future results.**

CURRENCY CONUNDRUM

With so much emphasis on what the Trump administration could do, one might lose sight of the other big heavy in Washington: Federal Reserve Chair Jerome Powell. The Fed has been, alternately, the hero or villain of the capital markets over the past few years. What will 2025 bring? Conjecture as to Powell's plan to stay or go—his term ends in May 2026—as well as the influence of the incoming administration on policy decisions are, in our view, just a sideshow. Most likely, Powell will remain in his seat and continue to helm what could be an increasingly divided Federal Open Market Committee as policy implications unfold throughout the year.

This division is likely to stem from the confluence of still higher-than-target inflation, a modest slowdown in the labor market and prognostication around the impacts of tariffs, which could exacerbate inflation worries. The Fed remains data-dependent (Powell confirmed as much in recent press conferences), which could result in a deviation from its expected path of two rate cuts this year.

Such uncertainty could produce another bout of price volatility; more importantly, the Fed appears to be targeting a higher terminal (or neutral) rate than pre-COVID norms. This is arguably justified, given that the U.S. economy is growing faster than for much of the past 15 years. But it has implications for investment opportunities, particularly those outside of the U.S. As we have explained in past issues of *Aspire*, growth is meaningfully slower elsewhere, and, as a result, the Bank of England, European Central Bank and People's Bank of China will likely need to be more accommodative. The resulting interest rate differential with the U.S. could compound an already wide growth margin, and therefore further strengthen the dollar.

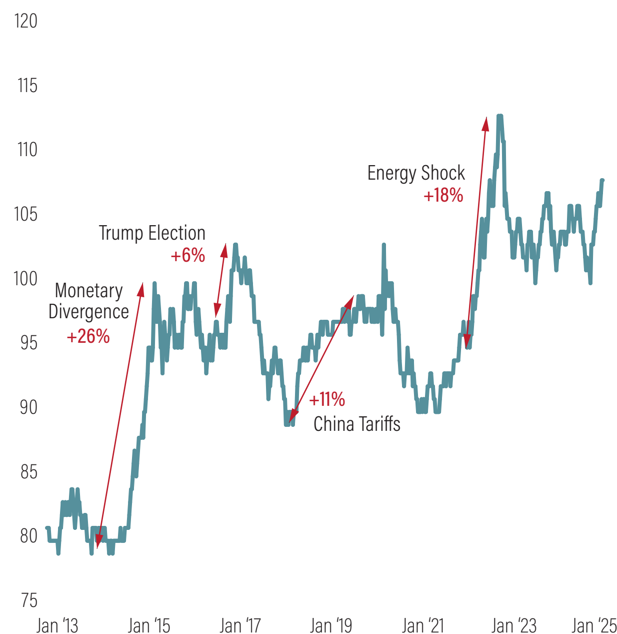
An elevated U.S. dollar is a challenge to the potential for broadening equity performance. Dollar strength generally detracts from returns earned by U.S. investors on stocks listed elsewhere, and has the potential to depress global trade and increase out-of-pocket costs for raw materials. The impact is more nuanced when

considering the U.S. consumer: With a strong dollar, imports come at a lower cost, but those employed by the production economy may feel the sting of reduced export volumes in their paychecks.

Relative strength was a hot topic on the campaign trail and is likely to remain part of the political rhetoric as we move further into 2025. Accusations of Chinese goods "dumping" could prove a lightning rod for swing-state voters who work in manufacturing industries. But, ironically, the real culprit for competitive difficulty may be the strength of the U.S. economy; if growth is above-trend, unemployment is at a palatable level, and inflation is still over 2%, the Fed is unlikely to cut rates aggressively enough to weaken the dollar materially.

DOLLAR STRENGTH COULD CONTINUE, THOUGH WITH VOLATILITY

U.S. Dollar Index



Source: Bloomberg. Data as of December 31, 2024. For illustrative purposes only. Historical trends do not imply, forecast or guarantee future results. Due to a variety of factors, actual events or market behavior may differ significantly from any views expressed. **Past performance is not indicative of future results.**

PRICED FOR POSSIBILITY

After two strong years[1] driven largely by just a few stocks, it should not be surprising that investors feel uneasy about prospects for the "Magnificent 7." We believe potential for deregulation, proactive industrial policy and modest improvement in consumer activity point to opportunities not only in other large-cap names, but also in small- and mid-cap stocks that have yet to fully benefit from the U.S. economic recovery.

To be fair, there are also opportunities for the growth winners, as the "three Cs"—cloud, consumer and China demand—could provide a lift to their results even if euphoria around artificial intelligence softens and downward earnings estimates pressure the S&P 500 in the first half of 2025. Developed non-U.S. and emerging markets could face a tougher climb, but a stronger global economy could help to offset their currency challenges.

Fixed income could be a bit trickier, as the yield differential between Treasuries and corporate credits, both investment grade and non-investment grade, remains quite slim. While fundamentals have been strong despite elevated interest rates, our view is that prices are perhaps too rich at this juncture for investors to be any more than neutral in U.S. credit exposure. That said, we anticipate a wave of mergers and acquisitions that could increase opportunities in private credit and equity, offering investors an alternative to the pricier parts of the public markets.

In short, we are constructive on both public and private markets in 2025, but acknowledge that the path to favorable returns may involve more flexibility and attention, with active management playing an important role in translating possibility into portfolio construction and investment selection.

[1] The S&P 500 returned 26.3% in 2023 and 25.0% in 2024.

See disclosures at the end of this publication, which are an important part of this article.

Highlights 1Q 2025

FROM THE ASSET ALLOCATION COMMITTEE

Shannon is a member of the Neuberger Berman Asset Allocation Committee, whose views are presented below.

Easing inflation and a pro-business policy environment are likely to support economic growth in 2025, but the balance could be delicate, with up- and downside risks.

Equities

We expect further broadening of U.S. stock performance now that rate-cutting is underway, which could benefit small and medium-sized companies. Larger names appear fully valued and may be less sensitive to changes in interest rates. Renewed stimulus from China has improved the outlook for non-U.S. markets, but its structural challenges and the strong dollar could weigh on the global economy. That said, Japan remains appealing on a longer-term basis.

Fixed Income

An increase in market yields has made investment grade fixed income more compelling, in our view. We see little price risk at the front end of the yield curve and continue to favor its two- to seven-year segment. However, our growth outlook and debt sustainability concerns make us cautious on longer-dated bonds. The yield advantage on many non-Treasuries is limited, but there could be trading opportunities in longer credits due to market volatility.

Alternatives

We continue to favor private equity secondaries and co-investments, while we believe the yields provided by private credit could become more attractive with a revival of dealmaking. Commodities continue to provide a useful hedge against potential inflation and geopolitical shocks. We remain cautious on real estate, but believe the start of the rate-cutting cycle has created a tailwind for recovery in the asset class.

All views are over the next 12 months unless otherwise stated. See disclosures at the end of this publication, which include additional information regarding the Asset Allocation Committee and the views expressed.

Solving for 2025

As we transition into 2025, it is crucial to reflect on the past year's developments and prepare for the challenges and opportunities ahead. At the close of 2024, Neuberger Berman's investment leaders convened to discuss how the investing environment evolved throughout the year and to identify the key themes they foresee for 2025. Here, we present their insights on macroeconomics and their expectations for equities, fixed income and alternative investments. We believe there are five key themes for investors to consider as they evaluate risk and opportunity in the new year..

Five Investment Themes for 2025

MACRO: GOING FOR GOLDILOCKS

1. A YEAR OF ABOVE-TREND GROWTH

While the politics may change, industrial policy aimed at influencing domestic production patterns will continue, whether achieved via government spending and investment, tax policy, trade policy, deregulation or other means. If inflation can be contained—and we think it can—central banks can stand aside and allow economies to run a little warm. That is a recipe for above-trend U.S. GDP growth, which could drag some of the world's other economies with it. The debt and deficit implications, and the question of whether capital is being well allocated, may surprise investors by being manageable concerns in 2025.

2. EXPANDING THE SOFT LANDING BY BROADENING REAL INCOME GROWTH

The detrimental impact of high inflation on lower-income consumers and small businesses was an important driver of last year's political uncertainty. Countries and governments that deliver moderate inflation and broader participation in positive real wage growth and positive real revenue growth will increasingly come to define success, visible in data points such as higher consumer confidence, political approval ratings and GDP growth rates. While it remains to be seen whether specific policy mixes can achieve this, we see evidence that the new U.S. administration at least recognizes the objective, and active industrial policy is evidence of growing recognition elsewhere.

EQUITIES: THE MARKET OPPORTUNITY IS MORE THAN SEVEN STOCKS

3. THE STAGE IS SET FOR BROADENING EQUITY MARKET PERFORMANCE

Deregulation, business-friendly policies, moderating inflation and lower rates may allow a broadening of earnings growth and price performance. At the same time, mega-cap technology growth rates are likely to decelerate and normalize as capital expenditure ramps up. Value and small-cap stocks, and sectors such as financials and industrials, could begin to catch up with mega-cap technology. Non-U.S. markets could perform more strongly on higher global growth and lower commodity prices. Relative valuations, as well as fundamentals, should provide support for this theme.

FIXED INCOME: FED UP WITH FED-WATCHING

4. BOND MARKETS WILL FOCUS ON FISCAL RATHER THAN MONETARY POLICY

For more than two years, bond markets have been dominated by inflation data and the responses of central banks. We think a reacceleration of inflation can be avoided this year, and that central banks will settle into the dull routine of debating where the neutral rate sits. Bond investors will likely shift focus to the growth outlook through most of 2025, and possibly deficits and the term-premium question late in the year and into 2026. The result will be moderately steeper yield curves and a migration of bond market volatility from the short end of the curve to the intermediate and long parts.

ALTERNATIVES: THE ART OF THE DEAL

5. MERGERS AND ACQUISITIONS ARE SET TO SURGE

Numerous factors are aligning to release a pent-up torrent of corporate dealmaking: above-trend growth; buoyant public equity market valuations; a more stable inflation and central bank outlook; the return of banks to the leveraged lending market; declining rates and tight credit spreads; and, perhaps most importantly, an expected change in regulatory stance in the U.S. That said, private equity secondaries and co-investments will continue to flourish as liquidity is still required to work through a huge backlog of mature investments, and it will remain challenging to raise new primary funds. Event-driven hedge fund strategies will benefit from a big new opportunity set.

See disclosures at the end of this publication, which are an important part of this article.

Aspire to... DIVERSIFY

CHRIS BOKOSKY, CFA
Private Markets Strategist

Private Markets: As the Ice Breaks

WITH A LIQUIDITY DROUGHT FADING, INVESTORS CAN RETURN TO THE MORE NORMAL TASK OF BUILDING PRIVATE MARKET PORTFOLIOS DESIGNED TO PURSUE UNIQUE INVESTMENT GOALS.

The last several years have seen true extremes in the private market environment, from very fluid and dynamic markets immediately after the COVID-19 pandemic to a period of relative inactivity amid higher interest rates, with fewer distributions and exit opportunities. Now, however, we are seeing signs of loosening that could help normalize the market. And with more liquidity, investors may need to think about how to deploy their assets to capitalize on current opportunities while fulfilling long-term goals. In this article, we provide some background on the current environment, and then go over some high-level considerations when it comes to potentially filling out exposures in the coming months.

A Deep Freeze

It's worth noting how we got here. Coming out of the COVID lockdowns of 2020 and 2021, fiscal and monetary stimulus helped ensure easy access to cheap capital and strong markets. A healthy appetite for dealmaking and solid investment performance helped power private equity activity and fundraising to all-time highs. In 2022, the Federal Reserve's rapid rate increases and broad public market weakness contributed to a significant drop-off in private markets activity, from fundraising to dealmaking to opportunities for investor "exits"—part of which was due to a wedge between sellers who were still looking for the best price and buyers mindful of not paying too much in a strained environment. Even as the rates and inflation picture improved, activity remained tepid into 2024 amid tough U.S. antitrust enforcement and uncertainty around global elections.

These trends fundamentally shifted the behavior of private equity general partners (GPs) in dealing with growing levels of "dry powder" available for investment. In our view, GPs exhibited sound discipline during this period, generally focusing new investments on high-quality businesses. Rather than push into questionable transactions, they looked to enhance their portfolio companies over longer-than-normal holding periods, and positioned them for eventual exit. When deals did occur, they were "add-ons" designed to fill out product, geographic or business gaps and to realize economies of scale.

For limited partners, subdued activity led to the lowest rate of distributions since the global financial crisis—less than half the historical average.[1] As investors grew impatient with the lack of distributions, GPs started to get creative in ways to distribute capital while still holding on to what they considered promising companies. In some cases, they sought additional capital, which intensified demand for a range of capital and liquidity solutions—including private credit, capital solutions, secondaries and co-investments—that we have been talking about with clients for the last couple of years.

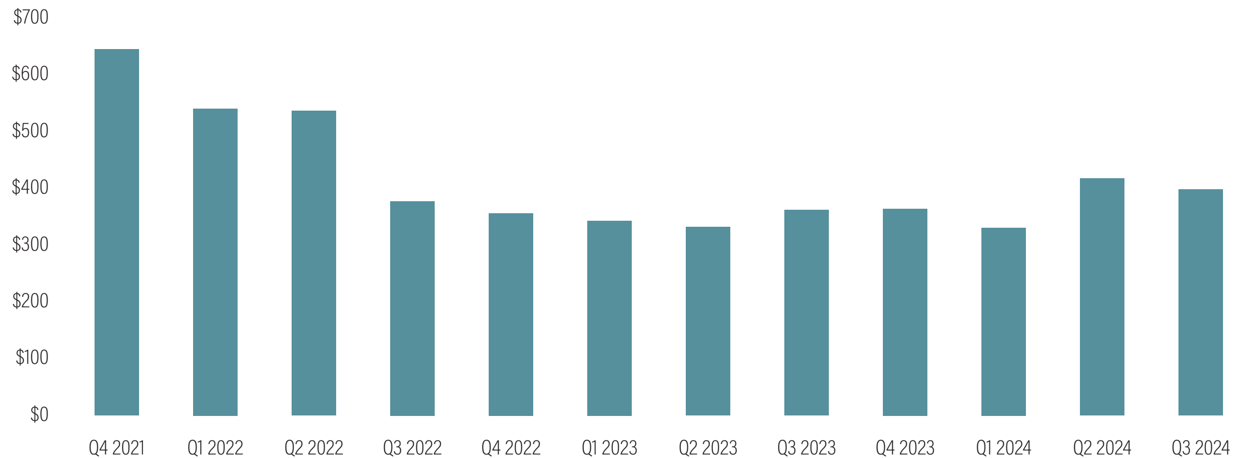
A Thawing Market

We believe the extended freeze on private market activity is beginning to thaw, with various forces aligning to release pent-up demand for deals. This includes buoyant public equity valuations, healthy economic growth, more stable inflation, a friendlier central bank outlook, the return of banks to the leveraged lending market, and a potential pullback in regulatory activism at the federal level.

[1] Source: Pitchbook, 2010 through 3Q 2024.

IS THE PRIVATE EQUITY MARKET PRIMED FOR A REVIVAL?

Quarterly Global Private Equity Deal Activity by Value ($ Billions)



Source: Pitchbook as of 3Q 2024. Includes buyout and growth equity.

Overall, we think this backdrop should translate into more transactions, increased distributions from existing investments, and more capital devoted to a range of private markets. As a result, investors may have more decisions to make regarding where to invest (or reinvest), how to fill out alternative investment exposures and how to structure portfolios overall.

Currently, we see pockets of opportunity in "core" traditional private equity funds as well as co-investments, where limited partners invest alongside private equity firms in a fee-advantaged arrangement, and real estate, which has suffered some weakness and now offers value to discerning investors. Also potentially appealing are select allocations to strategies focusing on liquidity/capital solutions, which, despite recent improved market conditions, can help investors work through a backlog of legacy investments and thus often provide appealing pricing. The latter group includes secondaries, which offer access to more mature companies/investments with an advantageous liquidity profile (of capital calls and distributions) compared to traditional vehicles, as well as structured equity solutions such as preferred equity. Private credit continues to benefit from banks' movement away from underwriting areas like corporate credit, specialty finance and asset-backed lending.

Taking a Fresh Look at Allocations

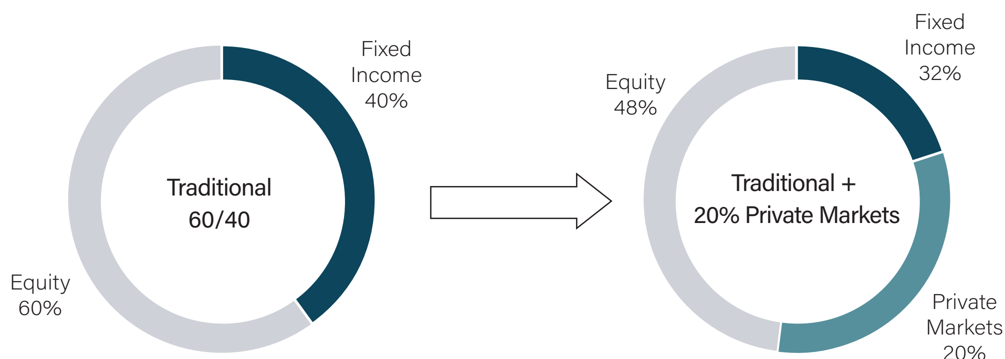
Taking a step back, it's crucial that any private market investments you choose fit within your broader portfolio, particularly as they relate to long-term goals and liquidity requirements.

Let's assume that you are convinced about the case for private markets: their return potential and diversification advantages, the opportunity associated with the many privately owned companies now in existence, the practical leg-up that GPs have in building value in their holdings and their ability to be patient beyond the quarterly reporting dictates typically associated with public markets. What role can private market investments play in your broader portfolio, and how should you size and allocate them as you seek to maximize their benefit?

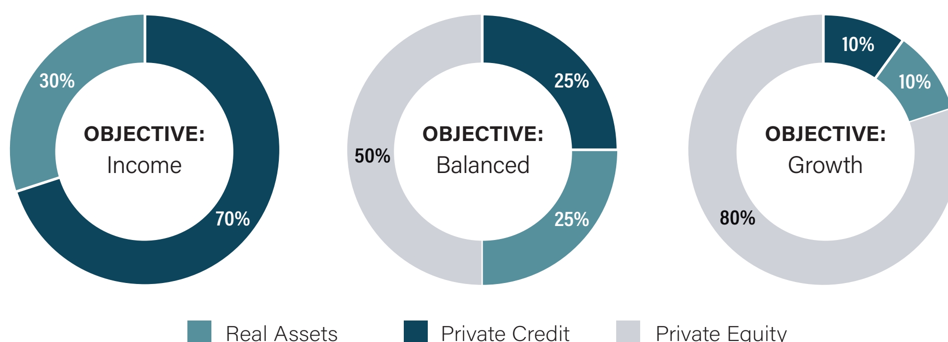
First, it's helpful to think of these assets not in isolation, but in relation to their function in your portfolio. Traditional private equity segments may fit into the capital appreciation bucket of your portfolio along with public equities, while private credit strategies may, depending on their characteristics, represent a complement to traditional fixed income investments. Real assets, including real estate, infrastructure and

BUILDING PRIVATE MARKETS INTO PORTFOLIOS

Hypothetical Reallocations



POTENTIAL PRIVATE MARKET ALLOCATIONS



Source: Neuberger Berman. The hypothetical reallocations outlined above reflect the current views of NB Alternatives. NB Alternatives may change or materially alter all or any of the applicable investment reallocation targets in its sole discretion at any time.

commodities, can be an important diversifier and hedge against unanticipated inflation over time.

Hypothetical reallocations from traditional 60/40 portfolios (60% stocks/40% bonds) to include private markets exposure are shown above by investment objective. Depending on the mix, adding weightings in private markets has historically lessened portfolio volatility, reduced downside risk and led to greater growth potential (see display on page 15).

Second, it's important to regard the illiquidity of private markets as not just a limitation, but also a benefit. Yes, you often have to lock up capital for longer than public market assets, but the very length of a commitment allows for a strategic approach that has the potential to generate additional value. We've found that clients often overestimate their reliance on an investment portfolio to support near-term spending needs, freeing up assets where appropriate for more private market commitments in pursuit of better returns and diversification. The chart on page 15 highlights the positive impact on investment returns and risk management associated with a 20% allocation to various private market implementations, as outlined in the prior section.

With this in mind, how much may be appropriate when it comes to private markets exposure? To a significant extent, weightings may come down to the type of investor (individual, foundation, etc.), stage in life, goals and available assets for investing. Often, we see portfolio weightings correspond to the following types of clients:

- **Lower Exposure (Up to 10%):** A retiree whose portfolio is his sole source of income may have limited appetite for illiquidity, but can still benefit from the

risk/reward and (in some cases) income profile of private markets. A business owner who already has much of her net worth tied up in illiquid company equity may value public markets diversification and, to a lesser extent, complementary private markets exposure. Meanwhile, a dedicated philanthropist who is focused on giving in the near term may wish to limit weightings in assets requiring a long holding period. This category often aligns with the "Income" portfolio shown on page 14.

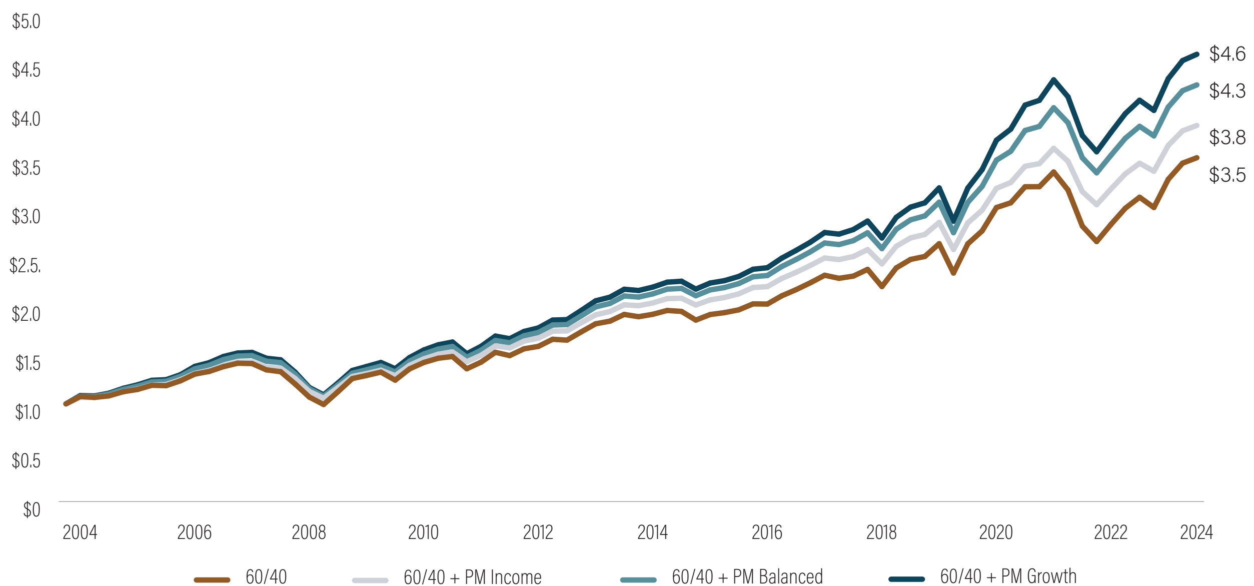
- **Moderate Exposure (10 – 20%):** A newly retired individual with a multidecade investment time horizon and moderate income needs may be a suitable candidate for moderate private markets exposure. A charitable foundation required to distribute 5% of its assets annually will likely need exposure to a more balanced asset allocation, but may be able to dedicate a meaningful portion of the rest of its portfolio to private markets. The same may apply to trusts making consistent distributions to beneficiaries. See the "Balanced" portfolio on page 14.

- **High Exposure (Over 20%):** A long time horizon is a powerful investment weapon, and we believe those in their prime earning years should consider the merits of private markets where feasible, to capitalize on long timeframes for compounding potential. Another natural candidate for private markets could be a family with multigenerational wealth and/or low propensity to spend. Long-term trusts and institutions with perpetual time horizons and little need to spend from capital may be similarly situated. This category often ties in with the "Growth" mix on page 14.

How much is appropriate for you should be a function of detailed discussions between you and your advisors in terms of what you are comfortable with and what you can practically commit. What may be particularly important is that your private market exposures be developed in a thoughtful, risk-managed way to maximize their potential to help your portfolio picture.

PERFORMANCE IMPACT: PRIVATE MARKETS EXPOSURE

Hypothetical Portfolio Growth of $1 Million



Source: Neuberger Berman, FactSet, Bloomberg. Returns through June 30, 2024. PM = private markets. Public Equities represented by MSCI World Index. Fixed Income represented by U.S. Aggregate Bond Index. Alternatives sleeve represents 20% of the portfolio. Portfolios including private markets are funded on a pro-rata basis across equity and fixed income. Allocations within private markets leverages sample on prior slide. Real Estate represented by NCREIF-ODCE Index. Private Credit represented by CDLI Direct Lending Index. Private Equity represented by Burgiss Global Equity.

Focus on Evergreen Funds

An increasingly popular way to access private markets is through "evergreen" funds, a key structural innovation within the private space. These structures often come with reduced investor qualifications and lower minimums that make broad diversification more feasible, and can mitigate the cash-flow challenges associated with traditional private equity limited partnerships through immediate exposure to an established portfolio of private investments. Evergreen funds typically do not require capital calls and can potentially offer limited liquidity in case you need to sell. The funds do not have a defined lifespan, and can consistently allocate to investments over time.

Developing Your Program

In our view, building a robust private market exposure involves diversification across multiple dimensions: asset class, strategy, industry, manager and vintage year. Depending on your objectives and risk tolerance, exposure may cross equity, credit and real assets (real estate and infrastructure), and employ an array of strategies with different cash-flow and risk profiles.

Given the degree to which portfolio manager performance can vary in private markets, we believe that access to top-tier managers is crucial, diversified across manager size, style, value creation approach and more. Fund-of-funds, co-investments and secondaries can be sources of efficient manager diversification.

Finally, diversification across time, or "vintage year," should be a key consideration in developing your program. For those investing in traditional private market vehicles, their unique cash-flow patterns favor consistent investment commitments over time to ensure diversification based on vintage year, allowing capital to be deployed in a range of economic and market environments while maintaining target exposures prudently.

Next Steps

The public equity market has shown extraordinary strength over the past couple of years, with key indices becoming even more concentrated and valuations moving ever higher. In our view, investors would be wise to think about how to diversify into less traveled areas that may offer a compelling risk/return profile.

Private markets can provide a cornerstone of such diversification efforts. This is not an area that lends itself to market timing, nor to impromptu decision-making. Rather, we believe efforts to build an effective private market program should take place in systematic fashion across multiple years, and include regular maintenance to ensure that exposures remain on track. In our view, the potential "return to normal" of liquidity conditions should allow new opportunities to assess current strategies, and to explore new opportunities as they develop.

See disclosures at the end of this publication, which are an important part of this article.

JONATHAN BAILEY, CFA
Global Head of Stewardship and Sustainable Investing

Refining Sustainable Investing Through Active Management

A CHANGING WORLD IS REQUIRING NEW LEVELS OF NUANCE AND INSIGHT.

In recent years, the landscape of sustainable investing has undergone a significant transformation, with investors and asset managers reevaluating their approaches to stewardship and engagement. As the limitations of the "ESG" acronym (environmental, social and governance) become increasingly apparent amid evolving regulation and economic changes, there is a growing shift toward a more nuanced understanding of sustainable investing—one that emphasizes active management and informed decision-making.

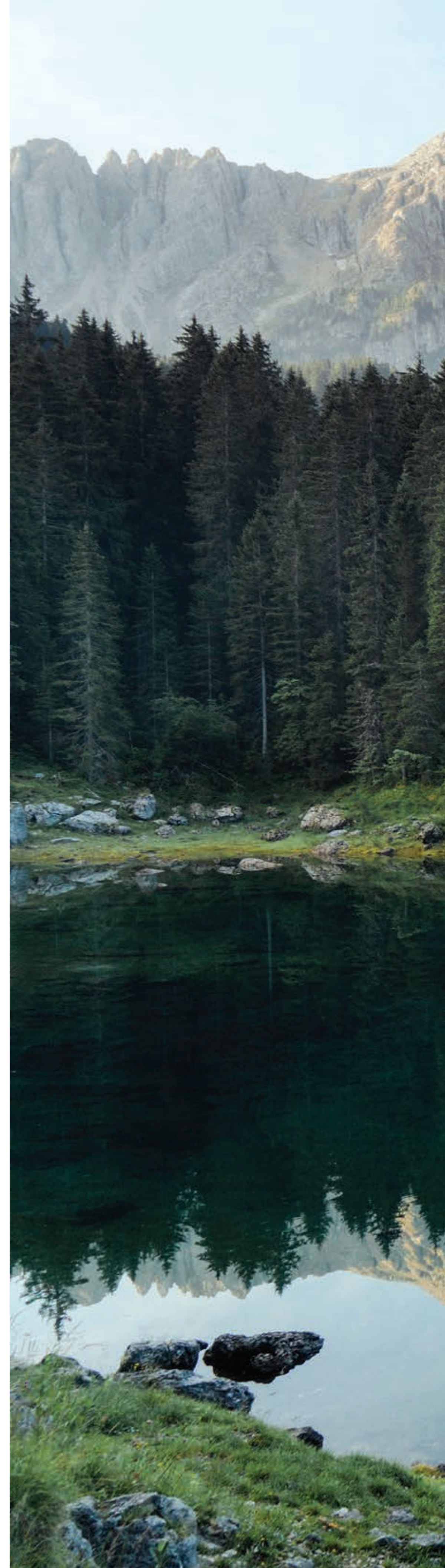
In our view, this evolution is particularly crucial as large passive managers begin to step back from stewardship roles, leaving a gap that active managers are uniquely positioned to fill. By drawing on their deep understanding of business models and industry dynamics, active managers can offer thoughtful perspectives to company management, driving meaningful change in financially material governance, environmental and social domains.

What's the role of stewardship in sustainable investing? And how can active management make a difference—especially in navigating the economic impacts from climate transition? We offer some thoughts below.

STEWARDSHIP AND VALUE CREATION

In the evolving landscape of sustainable investing, we believe active management stands out as a powerful approach to achieving long-term investment success and meaningful change via strategies designed for investors that have such ambitions. Unlike passive strategies, active management can involve a hands-on approach where portfolio managers leverage their deep understanding of businesses to offer insightful perspectives and engage constructively with company management.

When it comes to sustainable investing, active managers may be uniquely positioned to navigate complex issues, thanks to fundamental research capabilities and industry expertise. This allows them to contextualize risks and opportunities within a company's specific business model, plug data gaps and make informed investment decisions that go beyond surface-level assessments.



We have long believed that stewardship of client assets should be a critical part of the investment process as we seek to protect and enhance overall value for our clients. We look to be true long-term partners to the companies we invest in on behalf of our clients, aiming to foster a relationship built on mutual understanding and shared goals. In our view, stewardship can serve as a bridge between investors and companies. This involves not only integrating financially material environmental, social and governance factors into analysis, but also engaging directly with issuers to drive long-term value creation.

It helps to be deeply rooted in investment analysis, which can shape the dialogue. For example, our firm's approach to engagement is based on the fundamental analysis conducted by our analysts and portfolio managers, who are focused on creating economic value while reducing risk. We believe that engaging with issuers is an essential part of being a long-term owner. By creating dialogue on financially material environmental, social and governance topics, it becomes possible to improve company performance and reduce risk. This proactive communication can help to address financially material sustainability issues, promote responsible company management and unlock new opportunities.

It is hard to overstate the importance of governance, as it forms the backbone of effective stewardship. How a portfolio manager prioritizes engagements may depend on the severity of environmental, social and governance concerns, potential economic exposure and the manager's relative influence on specific situations. By employing a variety of engagement tools, including company meetings, written communication and proxy voting, it is possible to conduct meaningful dialogue with companies. Such a bottom-up approach can not only encourage the implementation of specific ideas, but also enable the sharing of best practices across an investment organization.

In an era where large passive managers are increasingly exiting the world of stewardship and engagement, the value of active management is becoming even more pronounced. A commitment to stewardship is not just about fulfilling fiduciary responsibilities, but also actively contributing to better-functioning capital markets. Moreover, the willingness to innovate and demonstrate leadership in this space can help drive sustainable value creation on behalf of clients for the long term.

Harvard Case Study: Measuring Climate Readiness

In 2023, Harvard Business School conducted an in-depth case study on our approach to integrating climate-related risks and opportunities into investment strategies. "Investing in the Climate Transition at Neuberger Berman" explored the firm's development of the Net-Zero Alignment Indicator and its role in fostering active engagement with companies on climate transition.

The Harvard case study highlighted the limitations of traditional climate transition strategies that often focused on divestment from high-carbon sectors, relying predominantly on carbon emissions as a singular metric. Recognizing the need for a more comprehensive and nuanced approach, we sought to create a framework that would not only assess companies' alignment with global net-zero goals, but also facilitate meaningful engagement.

As detailed in the case study, we created the Alignment Indicator to provide a robust assessment of companies' climate transition readiness. The indicator uses over 40 quantitative data points from environmental, social and governance data providers, complemented by qualitative insights from our research analysts. It evaluates companies based on six sub-indicators, including long-term ambition and decarbonization strategy, categorizing them into alignment statuses that range from "Not Aligned" to "Achieving Net Zero." This framework allows us build investment portfolios for clients aligned with their climate objectives.

The Harvard case study provided recognition to what we believe is a pioneering approach to navigating the complexities of the climate transition. Importantly, it highlighted our commitment to going beyond divestment, focusing instead on engaging with companies to understand their own plans to mitigate financially material climate transition risk.

FOCUS ON CLIMATE

As the world grapples with the realities of climate change, the transition to a low-carbon economy presents both challenges and opportunities for businesses and investors. Navigating this transition requires a deep understanding of the implications for business models—a task that we believe is ideally suited to active managers.

At our firm, we work to assess the multifaceted financial impact of climate transition on companies. Through fundamental research and direct engagement with company management, we seek to evaluate how businesses are adapting to new environmental regulations, shifting consumer preferences, and technological advancements. In our view, such nuanced understanding is critical to identify both risks and opportunities in a rapidly changing landscape.

Analytical tools including our proprietary Net-Zero Alignment Indicator (see sidebar) are central to our approach, providing a comprehensive assessment of a company's climate transition readiness. By drawing on extensive data and qualitative insights from research analysts, the indicator creates a robust framework for evaluating companies' alignment with achieving net-zero carbon emission goals. This enables us to undertake targeted engagements with companies on financially material climate risks and opportunities.

The potential impact of emerging technologies like generative artificial intelligence on energy demand underscores the importance of an active approach to judging climate transition scenarios. As energy consumption patterns evolve, it is important to continuously update analyses and strategies to reflect new realities, ensuring that portfolios remain resilient and aligned with long-term sustainability goals.

POLICY AND REGULATION: A KEY VARIABLE

In our view, active management is also valuable in understanding how varying regulatory and policy landscapes shape transition scenarios. Different regions may adopt distinct approaches to climate regulation, influencing the pace and direction of transition. With the ability to make informed judgments and adapt strategies accordingly, active managers are well equipped to navigate these complexities.

In the intricate tapestry of climate transition, regulation and policy play pivotal roles in shaping the pathways and scenarios that businesses must navigate. Key factors include emissions targets, incentives for renewable energy, supply chain dynamics and the political balance between economic growth and environmental considerations. In our opinion, the variation in regulatory frameworks across different regions and between different governments underscores the necessity of judgment and adaptability in investment strategies.

With a deep understanding of regulatory landscapes and policy developments, active managers are positioned to assess how these factors affect business models and investment prospects. Research analysts and investment teams are then equipped to make informed judgments about which companies appear best positioned to thrive under specific regulatory conditions. At our firm, we engage with industry leaders to advocate for thoughtful regulation that supports sustainable growth and innovation.

The dynamic nature of regulation and policy also demands ongoing vigilance and flexibility. With an ability to quickly adapt strategies and portfolios, active managers are uniquely positioned to navigate these changes and seek to capitalize on emerging opportunities.

COMMITMENT IS KEY

In an era of rapid change, active management emerges as an important tool for capital stewardship. As we navigate the evolving landscape shaped by regulation and technological advancements, commitment to active stewardship will likely be key to unlocking value and achieving resilient, long-term investment success.

See disclosures at the end of this publication, which are an important part of this article.

Waiting Game on Taxes and Planning

SAM PETRUCCI
Head of Advice, Planning and Fiduciary Services

MAJOR TAX LEGISLATION IS LIKELY ON ITS WAY—KEEP AN EYE OUT FOR OPPORTUNITY.

By all accounts, the November election was a key event when it comes to the tax landscape. President Donald J. Trump has called for an extension of his historic 2017 tax cuts, and has proposed a variety of other changes to help workers and the economy at large. With Republican control of Congress, he has the opportunity to enact much of his agenda. However, tight majorities in the Senate and especially the House suggest that he'll need to maintain discipline in the GOP, potentially negotiating to resolve any differences on legislative specifics.

For taxpayers, this landscape currently allows for a wait-and-see approach. Most observers believe the president and his allies will start to tackle major legislation in the early months of the year (see "Trump 2.0: Built for Speed," on page 27), suggesting that there will be more clarity for informed planning choices as 2025 progresses. Gone is a sense of concern that generous tax provisions may expire, but it's also true that a "heavy lift" lies ahead, so little should be assumed.

What can we expect from the new Trump administration? Below, are some of the major tax ideas that the president has laid out, as well as some high-level thoughts on what they could mean for tax planning. You'll also find a broader checklist of key financial wellness ideas to consider as we move further into 2025.

MAINTAINING MOMENTUM ON TAXES

A core part of Trump's agenda, as mentioned, is the extension of the tax reforms he introduced eight years ago. This would include extending or making permanent current rates and exemptions, such as the top income tax rate of 37% and estate and gift tax exemption of $13.99 million per individual,[1] and extending the elevated standard deduction (currently $30,000 for married couples filing jointly) that is utilized by most taxpayers.

Trump would also offer new tax breaks in certain areas. For example, he has proposed to eliminate taxes on income from tips and Social Security benefits. He favors no longer taxing overtime pay and removing or raising the limitation on the state and local tax deduction (currently $10,000). To help the U.S. car industry, he has discussed making interest on auto loans tax deductible. During the election, Vice President JD Vance argued for raising the annual child tax credit from $2,000 to $5,000.

For businesses, Trump wants to maintain and expand current tax relief where it benefits the domestic economy. For example, he has proposed trimming the current 21% corporate tax rate to 20% generally and to 15% for companies manufacturing goods in the U.S. He would also reintroduce the 100% bonus depreciation rate and would extend the 20% pass-through deduction for partnerships, LLCs and S corporations.

TRUMP'S TAX PROPOSALS

Ordinary Income	• Extend or make permanent 2017 tax reforms • Maintain 37% top ordinary income tax rate • Maintain current standard deduction • Extend 20% pass-through deduction for partnerships, LLCs and S corporations • Eliminate tax on tips, Social Security and overtime pay • Remove or raise limitation on the state and local tax (SALT) deduction
Capital Gains	• Maintain current top rate of 20% • Maintain current carried interest tax treatment as capital gains
Estate and Gift Tax	• Extend or make permanent current estate and gift tax provisions ($13.99 million exemption, indexed for inflation, 40% maximum rate)
Business Taxes	• Lower corporate tax rate to 20% (15% for companies making products in the U.S.) • Restore 100% bonus depreciation • 10 – 25% tariffs on most imported goods and 60% tariffs on Chinese imports

[1] The exemption is currently scheduled to sunset at the end of 2025 and revert back to roughly its 2011 level of $5 million per individual adjusted for inflation (or about $7 million) if no new legislation is enacted.

In addition, Trump plans to use tariffs to generate leverage with trading partners and geopolitical adversaries, and more broadly to help support U.S. companies. This has been controversial, although some argue that the potentially negative impacts of such levies in terms of trade conflicts or higher prices could be offset by generally pro-business administration policies, reduced red tape and expansion of energy production.

PLANNING OVER THE COMING MONTHS

The realization of a Republican sweep has vastly changed the tax conversation from just a few months ago. Speculation has subsided concerning a wealth tax on billionaires, the elimination of the step-up in tax basis at death or an increase in income tax rates. At the same time, there is growing acknowledgement of the country's strained fiscal situation and the potential pressures that higher federal deficits and borrowing could have on interest rates and economic growth down the road.

Overall, we think it's reasonable to expect that most Tax Cuts and Jobs Act provisions would be extended. Regardless of outcome, the estate and gift tax exemption should provide significant opportunities to transfer wealth both in terms of direct transfers and through the use of trusts. The annual exclusion ($19,000 each to an unlimited number of recipients) will also be a natural go-to for gifts that are estate- and gift-tax free and avoid reducing the exemption noted above. Depending on the proposals for individual income tax rates, it may be helpful for taxpayers to defer income and accelerate deductions into the current year where appropriate.

Over the coming months, Congress will be developing massive legislative packages to power the Trump agenda through the budget reconciliation process. As this happens, the contours of tax changes will become more evident, at which point it will become more feasible to consider appropriate planning strategies for the rest of the year and beyond. In the meantime, we will be following developments closely in what will likely be a very eventful year in Washington, DC.

Over the coming months, Congress will be developing massive legislative packages to power the Trump agenda through the budget reconciliation process. As this happens, the contours of tax changes will become more evident, at which point it will become more feasible to consider appropriate planning strategies for the rest of the year and beyond.

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2025 Wealth Planning Checklist

While waiting for news about 2025 tax reform, there are many issues to consider relating to your wealth plan.

1. **Do you have a Will or Revocable Trust to properly dispose of your estate that names fiduciaries (such as guardians, executors and trustees)? If so, when was the last time it was reviewed or updated?**
   These documents represent your ultimate "financial plan" and are important for both tax and non-tax purposes.

2. **Do you have Living Wills, Health Care Proxies and Powers of Attorney?**
   Sometimes overlooked, these documents allow you to name an "agent" to act on your behalf for either medical or business purposes if you are incapacitated or otherwise unable to act.

3. **How do you hold title to assets?**
   A common estate planning mistake occurs when married couples hold all of their assets as "joint tenants with rights of survivorship"; it may make sense for second homes and other vacation/rental properties to be owned by a limited liability company instead of in your name.

4. **Have you properly named designated beneficiaries for your retirement accounts and life insurance?**
   Failing to do so for retirement accounts may have unintended tax consequences to beneficiaries who may no longer have the ability to "stretch" retirement distributions over longer periods of time. In many cases, it may make sense for an Irrevocable Life Insurance Trust (ILIT) to be the owner and beneficiary of a life insurance policy.

5. **Do you own term life insurance?**
   Term policies can be a relatively inexpensive way to provide "income replacement" if an unexpected death occurs; in addition, permanent insurance can be employed as part of overall estate planning.

6. **Do you own property and casualty insurance?**
   This type of insurance can be valuable for both liability and property protection purposes.

7. **Are you saving for education through a 529 plan?**
   These state-sponsored plans allow you to save without income tax consequences as long as distributions are used for "qualified educational expenses"; in some locations, contributions also provide a state income tax deduction.

8. **Are you contributing the maximum amount to retirement accounts?**
   For 2025, you may contribute up to $23,500 to an employer-sponsored 401(k) plan. Those age 50 – 59 and 64+ can contribute an additional $7,500 for a total of $31,000, while those in a new "super-catch-up" contribution category (age 60 – 63) can set aside an additional $11,250 for a total of $34,750. The annual contribution limit for a traditional IRA remains $7,000 ($8,000 for those 50 and older).[2]

9. **Do you have a large estate (generally, for 2025, $13.99 million per individual or $27.98 million per married couple)?**
   If so, you may wish to take advantage of advanced estate planning strategies to minimize your future estate tax burden.

10. **Do you contribute to charity?**
    A donor-advised fund can provide a simple and convenient way to satisfy your philanthropic objectives while minimizing your income tax burden.

11. **Do you have a financial plan?**
    A number of factors should be evaluated to answer a common question: Do I have enough to retire? Your life expectancy, retirement age, cash-flow needs/large expenditures, investment assumptions and much more should be considered.

12. **Who are your advisors?**
    A complete list of your tax, legal, accounting, insurance and other financial advisors (complete with phone numbers and email addresses) should be available to other family members with instructions in the event of your death.

These are only some of the questions that may arise as you seek to assess your current financial situation. With the start to the new year, we encourage you to touch base with your NB Private Wealth team to explore appropriate planning steps.

[2] Contributions can be made up to the lesser of 100% of compensation or the contribution limit. Roth IRA contributions are subject to limitations above certain income thresholds.

FRANK KELLY
Founder and Managing Partner—Fulcrum Macro Advisors

Trump 2.0: Built for Speed

PREPARATION AND TEMPO COULD MAKE A MAJOR DIFFERENCE FOR THE NEW PRESIDENTIAL ADMINISTRATION.

In a historic political comeback, Donald J. Trump became the first former president to win reelection in over 130 years. With Republican control of Congress, he now could have the opportunity to make meaningful changes in policy direction across a range of areas. The extent of his success may depend on holding together a narrow majority and making progress prior to uncertain midterm elections in two years. We connected with political analyst Frank Kelly to explore the potential dynamics of the new Trump term.

What could be Trump's emphasis out of the gate?

To me, this year will be about tempo. My premise has been that this isn't Trump 2.0, it's Trump 4.0 or 5.0. Look at the historical context: We've never had a former president who was able to sit on the sidelines for four years to contemplate what worked and what failed—and then get a chance to try again.

Also, never in our lifetimes has the president been an immediate lame duck, which implies a need for speed. Trump has been telling people that Republicans have two years—not four—to accomplish everything, because they may lose control of one or both of chambers in Congress. And even if they don't, the public's attention is likely to shift toward the future—like when George H.W. Bush ran post-Ronald Reagan as a "kinder, gentler" Republican.

This sense of urgency is reflected in the statistics. Through December, Trump's nomination process was moving four times faster than Obama's and five times faster than Biden's.[1] He pressed Republican leadership to focus on the tax bill right away, before the start of the new term. It's like cooking dinners to take on vacation—when you get there you pop them in the microwave, and you are done.

These next few months are going to be all business, believe me. Normally it takes months and months for major legislation to fall into place. We could see two reconciliation bills in the Senate within 100 days. Let's call it the hypersonic Trump, with not a day or an hour to waste.

Given that the GOP doesn't have 60 votes in the Senate to overcome the filibuster, much of the legislation needs to take place in the reconciliation process—does that limit what Trump can do?

There is something called the Byrd rule, named after the late Senate Majority Leader Robert Byrd of West Virginia, which says that you can't put non-germane, non-budgetary fiscal provisions in a reconciliation package. But it's up to the Senate parliamentarian to make those calls, like an umpire. So, there's scope for a lot to be approved through this process.

Trump is expected to seek the extension of his 2017 tax cuts and reduce corporate taxes for domestic producers. But he has some other personal tax proposals as well—of those, what will he push for?

It's always a guessing game with Trump—and he wants it that way as a negotiating tool. In addition to extending earlier cuts, he'll likely seek to end the $10,000 cap on state and local tax deductions—even though he put it in

[1] Source: Center for Presidential Transition, as of December 12, 2024.

there in the first place! A big question is regarding his more populist ideas, including ending taxation of tips. A lot of people laughed at the idea at first, but he proposed it in Nevada, a purple state where there are many service workers. He wants to flip the state to Republicans more permanently, and this could help. He also mentioned making car loan interest tax-deductible, which could benefit the automobile industry. Rank-and-file autoworkers helped him win in Michigan and he wants to reward them; it would be part of an effort to broaden and solidify his working-class coalition.

Are tariffs a negotiating tactic or something he really wants to build into the commercial landscape?

I think they are an opening bid in a version of "Let's Make a Deal." Trump hates multinational agreements, but he's not exactly anti-free trade. In addition to the agreement with Mexico and Canada, he updated a pact with South Korea and launched trade negotiations with the U.K.—which Biden ended but Trump will likely renew. Tariffs would not be just about commerce, though; he will likely use them as a lever across multiple issues.

What's also important is who is in Trump's ear, which currently is Elon Musk. Everybody is worried that we are going to have a trade war with China, but a quarter of Teslas are made there. And Trump is not going to hurt Musk, because that would be hurting an American industry. I think he wants to make a grand bargain with China that could include foreign policy as well as trade.

Importantly, Trump may also listen to advisors who tell him that "making America great again" will involve cutting-edge, higher-wage industries like semiconductors, pharma and biotech, rather than reshoring a shoe factory. So, he may try for deals with natural resource-rich countries that can send us lithium, cobalt and other key materials. Negotiations will take place country by country, and some nations may be better positioned for trade agreements than others.

How do you see the Ukraine situation playing out?

I'd point out recent shifts by Trump. First, his tone regarding Volodymyr Zelensky is now more positive, and he seems to want the Ukrainian leader to be in a strong negotiating position should the war draw to a close. At the same time, Trump appears more skeptical of Vladimir Putin, whom he feels used Trump to disrupt the U.S. political scene. I think Trump would love the chance to foster peace and rebuild Ukraine, but he'll likely drive a hard bargain.

Has the world gotten used to Trump's bluster such that it will be a less effective negotiating tactic?

They've gotten used to it, but that doesn't mean it is less effective. Think of it as a variation on Teddy Roosevelt's "speak softly and carry a big stick." In this case, Trump speaks loudly and carries an even bigger stick, which is the U.S. dollar. It's why Justin Trudeau abruptly took a jet to Mar-a-Lago after Trump's tariff threats, and why so many world leaders wanted to shake Trump's hand at Notre-Dame in Paris.

Eight years ago, Democrats were all about "the resistance." Do you think that happens again?

I think any resistance will be more muted because they have to figure out where and how to oppose him. A number of former Democrats, like RFK, Jr., worked to get out the vote for Trump, who has stolen parts of the left's platform, including reforming health care and protecting workers. Until the Democrats sort out their leadership picture, it's going to be hard for them to find direction. Eventually, new elections will force the issue.

How about the budget deficit? Can we make progress?

That effort is already underway. It's called DOGE (Department of Government Efficiency), which is of course not a government department and is probably going to be self-funded. If, as Musk has said, it can identify (and detail) meaningful savings, then this is going to be very interesting. We saw a similar effort by the Grace Commission under Reagan, which achieved some cuts and privatizations.

What DOGE has going for it is a platform. Musk can use X to pound away at policymakers and keep these issues in the spotlight. I suspect DOGE may also start talking about the entitlement crisis; although Trump has said he won't touch Medicare or Social Security, that could change, while other entitlements aren't immune from cost reductions.

What do you anticipate on climate policy?

Trump sees the American oil and gas as powerful economic and geopolitical weapon and wonders why we aren't using it. In my view, energy could be part of the grand bargain with China that I mentioned: "Buy our oil instead of Iran's, help us pressure them to give up nuclear weapons, and we'll reduce the tariffs and build our trade relationship." This is speculation, but who knows. For Chinese President Xi Jinping, it could be music to his ears.

More broadly, Trump is likely to consider climate from a free-market perspective. Even with the withdrawal from the Paris Agreement, he could pursue deals with China and India—the world's biggest polluters—to incentivize their emission reductions.

As you mentioned, Trump is already a lame duck. Who among the Republicans do you anticipate inheriting his mantle?

As vice president, JD Vance appears to be the heir apparent. But I don't expect Trump to anoint anyone, because he wants to remain relevant through his final two years in office. At that point, we could see a political version of "The Apprentice" as he narrows the field.

Trump has broadened Republican support more than anyone expected. Can it last?

I think the new coalition could last a long time. Whether due to brilliance or accident, Trump has made the GOP the party of the common man and woman, of entrepreneurs, of legal immigration (where "we love having you, but you have to be here legally"). This crosses ethnic, racial and religious lines.

The president is clearly relishing the moment. Has he changed personally from last time around?

Among all the reasons for Trump's latest victory, including inflation, the border, war and "lawfare," I think you have to consider the assassination attempts. Voters saw something different in Trump, and I've heard from his aides that he has changed—that he's a calmer guy. As they tell it, those near-death events have made him more serious about how he sees his mission and the challenges ahead. Whether that turns out to be true should become evident with time.

See disclosures at the end of this publication, which are an important part of this article.

Americans' Predictions for 2025

Which is more likely to be true for the year?

- positive prediction for U.S. interests
- negative prediction for U.S. interests

Full/increasing employment or rising unemployment

Prices rise at a reasonable rate or high rate

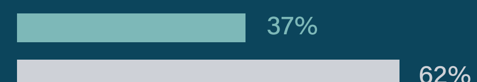
America sees an increase or decrease in its global power

Taxes fall or rise

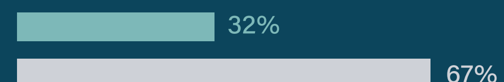
Crime rates fall or rise

Economic prosperity or difficulty

Federal budget deficit declines or increases



A largely peaceful or troubled year internationally



Political cooperation or conflict

Source: Gallup. Data collected December 4 – 15, 2024.
Percentage of those with no opinion is not shown.

About the Authors

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Future Family Leaders' Summit

The rising generation of family leaders will be charged with integrating sustainable practices, innovative technologies and wealth literacy to navigate the complex challenges of the future. Moreover, aligning their personal mission with family values will require a deep understanding of the opportunities and the responsibilities that come with stepping into a leadership role. To help foster this knowledge, we hosted a day of learning and networking at our Future Family Leaders' Summit: Drafting Tomorrow's Legacy Today.

At the Summit, we facilitated interactive conversations with thought leaders spanning a range of topics across investing, entrepreneurship, global mega-trends and philanthropy. We explore the nature of effective leadership, the importance of family involvement in estate planning, the role of sustainability in investing, the impact of artificial intelligence and much more.

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