

THE RISE OF TRANSPARENCY CONSIDERATIONS IN ASSET ALLOCATION

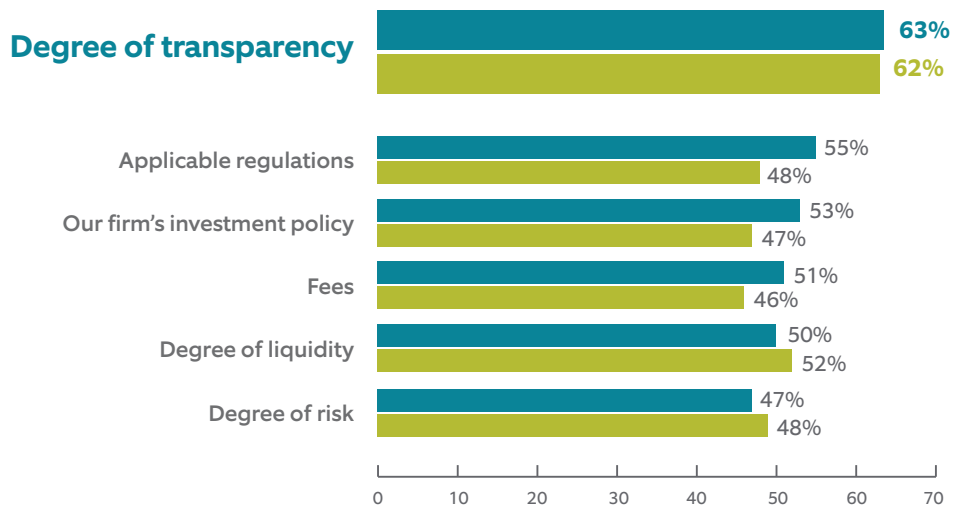
Investor priorities have shifted since the 2008 financial crisis, but one trend is clear: transparency has become paramount. A global EIU survey of asset managers and institutional investors, sponsored by Northern Trust, suggests that transparency has leapt in importance following the financial crisis. Despite evidence of this in pre-and post-investment considerations, best practices have been slow to catch on.

The majority of survey respondents agree transparency is very important for both alternative and traditional investment considerations, both pre- and post-investment.

How important are each of the following investment considerations?

PERCENTAGE OF RESPONDENTS SELECTING "VERY IMPORTANT"

Alternative investment
Traditional investment



Growing concern about transparency regarding investments is influenced by...

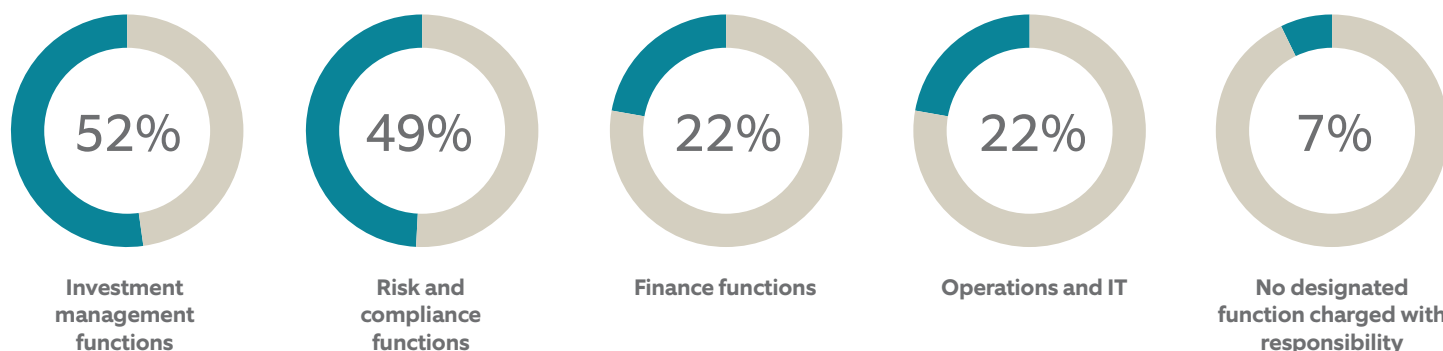
73% 
Portfolio risk management

53% 
Regulatory requirements

43% 
Competitive considerations

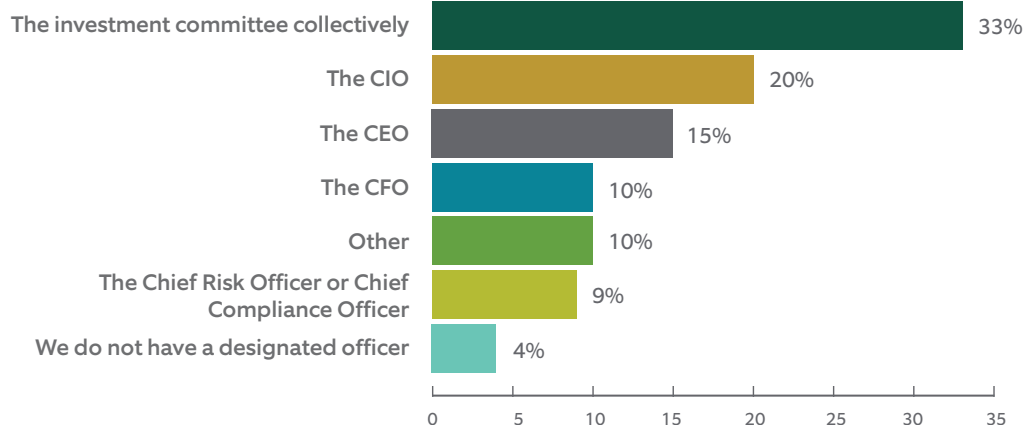
38% 
Fee calculation

Who is responsible for ensuring transparency?



Figures do not add up to 100% because respondents could select more than one answer.

Who has the final say about transparency requirements to proceed with an investment?



PERCENTAGE OF RESPONDENTS

DO YOU WANT TO LEARN MORE?

To learn more about transparency practices and investing in alternatives, or to see the complete survey results, please contact your relationship manager or visit northerntrust.com/AltsSurvey.

Unless otherwise stated, all data has been sourced from the Economist Intelligence Unit survey, February 2017.

About the survey

The Economist Intelligence Unit (EIU), with sponsorship from Northern Trust, surveyed 200 senior asset management and institutional investor executives employed by several different types of asset management organizations ranging from private equity firms and hedge funds to multilateral funds. The respondents are engaged in a variety of functional roles with equal representation from North America, Asia-Pacific and Europe and the remainder from the Middle East. Half the sample is comprised of organizations with over \$5bn in global assets under management. For purposes of this survey alternative investments were defined as investment products built on any of the following: debt; hedge funds; infrastructure; natural resources such as land, water, or forests; private equity; real estate; or funds of funds of any of the above.

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