



StepStone Investor Day

JUNE 6, 2023



Disclaimer

Some of the statements in this presentation may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking. Words such as “anticipate,” “believe,” “continue,” “estimate,” “expect,” “future,” “intend,” “may,” “plan” and “will” and similar expressions identify forward-looking statements. Forward-looking statements in this presentation include, but are not limited to, statements relating to the Company’s strategies for growth, targeted and anticipated spaces for growth, growth trends in specific sectors, strategies for expansion of fee-related earnings, strategies for constructing the Company’s private equity portfolio, forecasted trends in secondaries markets, anticipated investment needs in the infrastructure industry and future expansion of offerings in the private wealth sector. Forward-looking statements reflect management’s current plans, estimates and expectations and are inherently uncertain. The inclusion of any forward-looking information in this presentation should not be regarded as a representation that the future plans, estimates or expectations contemplated will be achieved. Forward-looking statements are subject to various risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, global and domestic market and business conditions, successful execution of business and growth strategies and regulatory factors relevant to our business, as well as assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity and the risks and uncertainties described in greater detail under “Risk Factors” included in our annual report on Form 10-K for the fiscal year ended March 31, 2023, and in our subsequent reports filed with the Securities and Exchange Commission, as such factors may be updated from time to time. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

The non-GAAP financial measures contained in this presentation (including, without limitation, adjusted net income (on both a pre-tax and after-tax basis), adjusted net income per share, fee-related earnings and fee-related earnings margin, and adjusted FRE margin, and adjusted FRE per share) are not GAAP measures of the Company’s financial performance or liquidity and should not be considered as alternatives to net income (loss) as a measure of financial performance or cash flows from operations as measures of liquidity, or any other performance measure derived in accordance with GAAP. A reconciliation of such non-GAAP measures to their most directly comparable GAAP measure is included in the appendix of this presentation. You are encouraged to evaluate each adjustment to non-GAAP financial measures and the reasons management considers it appropriate for supplemental analysis. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. In addition, these measures may not be comparable to similarly titled measures used by other companies in our industry or across different industries.

INTRODUCTION

Today's Presenters



Scott Hart
Chief Executive Officer



Jason Ment
*President and Co-Chief
Operating Officer*



Mike McCabe
Head of Strategy



Johnny Randel
Chief Financial Officer



Seth Weiss
*Corporate Investor
Relations*



Marcel Schindler
Head of Private Debt



Jeff Giller
Head of Real Estate



James O'Leary
Head of Infrastructure



Tom Keck
Head of Research



Tom Sittema
*Executive Chairman,
StepStone Private Wealth*

Agenda

Introduction – *Seth Weiss*

StepStone and the Private Markets Ecosystem – *Scott Hart*

StepStone's Performance and Growth Drivers – *Mike McCabe*

Asset Class Overviews

- Private Equity / Venture Capital – *Scott Hart*
- Private Debt – *Marcel Schindler*
- Real Estate – *Jeff Giller*
- Infrastructure – *James O'Leary*

- Break -

Data and Technology – *Tom Keck*

Private Wealth – *Tom Sittema*

Concluding Remarks – *Scott Hart*

Q&A

STEPSTONE AND THE PRIVATE MARKETS ECOSYSTEM

StepStone Is Capitalizing on the Market Opportunity to Drive Growth



Our mission is to be the trusted partner of choice for private markets solutions globally

Empowered Experts

95 Partners with an average of 20 years of private market experience, empowered to act swiftly and decisively to create the best possible strategies and solutions

Superior Selectivity

Over 3,600 private market opportunities reviewed annually across sectors, strategies and structures, creating a rich pipeline that allows us to pursue opportunities selectively

Global Strength, Local Focus

On-the-ground teams with valuable, regional insights, backed by the formidable resources of a global organization, with offices in 25 cities across 15 countries

Preferred Access

As one of the world's largest private market allocators, we are a trusted partner to limited partners (LPs) and general partners (GPs) and enjoy preferred access to investment opportunities that few can achieve

Tailored Portfolios

279 bespoke managed accounts and focused commingled funds carefully calibrated to each client's needs offer exposure to quality assets across a range of strategies

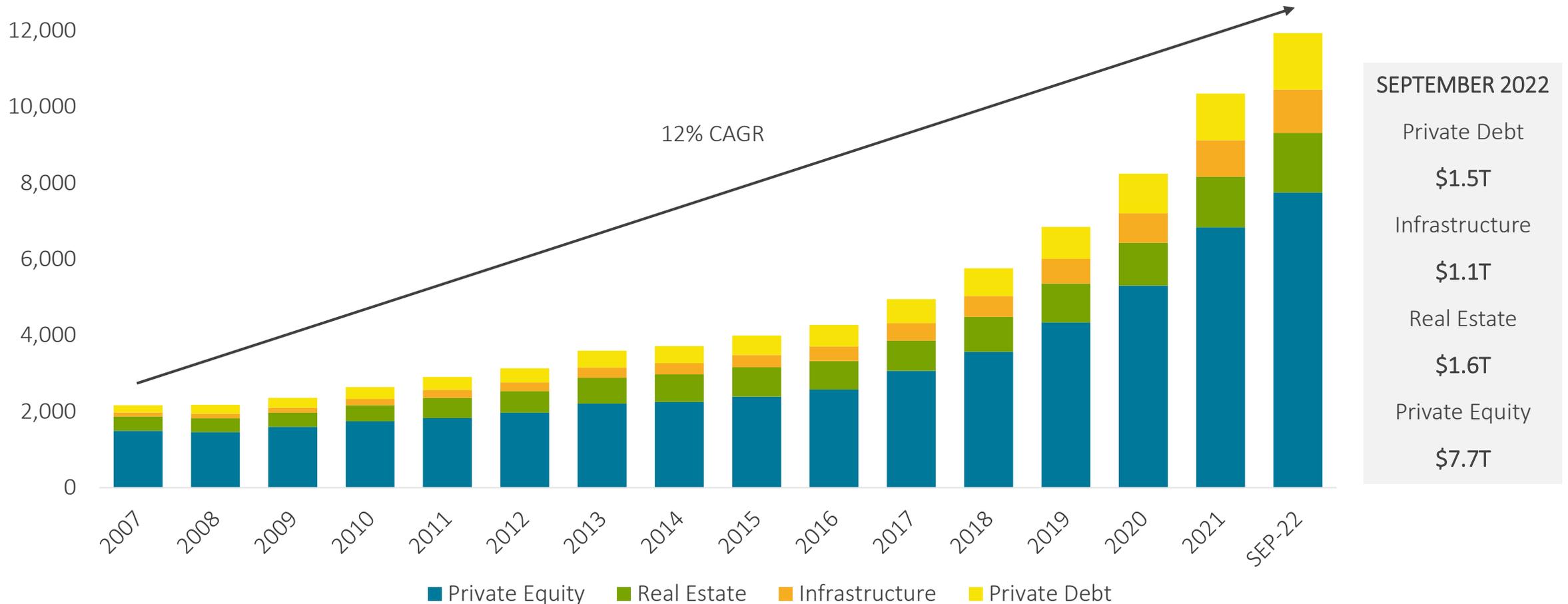
Deeper Dimensions of Data

Proprietary data and technology platform provides unparalleled insights, drawn and delivered from all parts of the business, with integrated portfolio monitoring and analytics

Strong Growth in the Private Markets Industry AUM Since StepStone's Founding in 2007



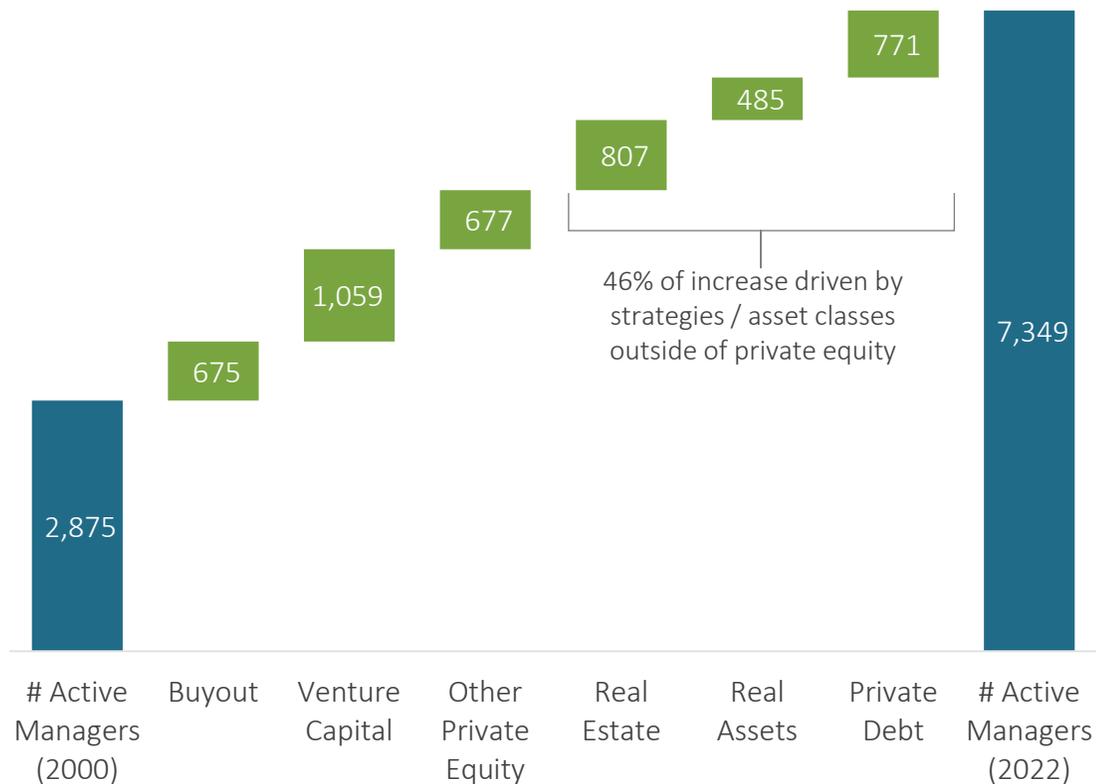
PRIVATE MARKETS AUM (\$B)



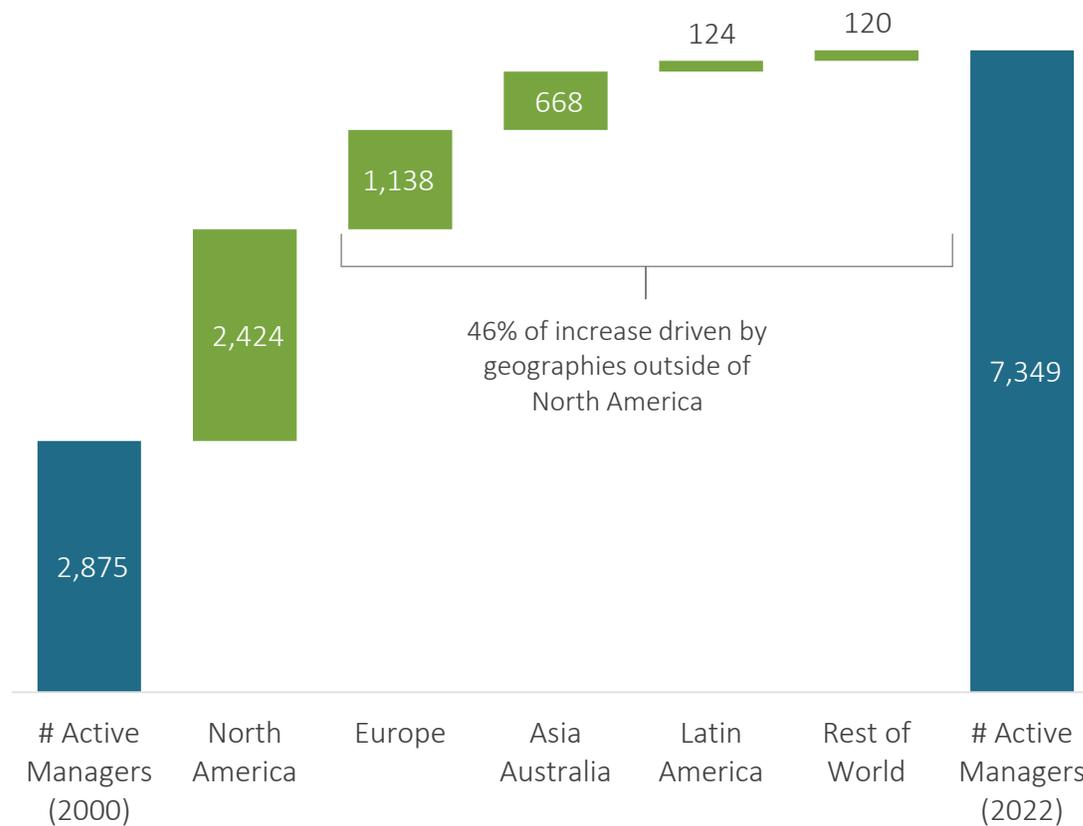
Source: Preqin, as of May 2023

Private Markets Represent a Wide, Complex, and Growing Landscape

GROWTH IN ACTIVE GPs BY STRATEGY (#)



GROWTH IN ACTIVE GPs BY GEOGRAPHY (#)

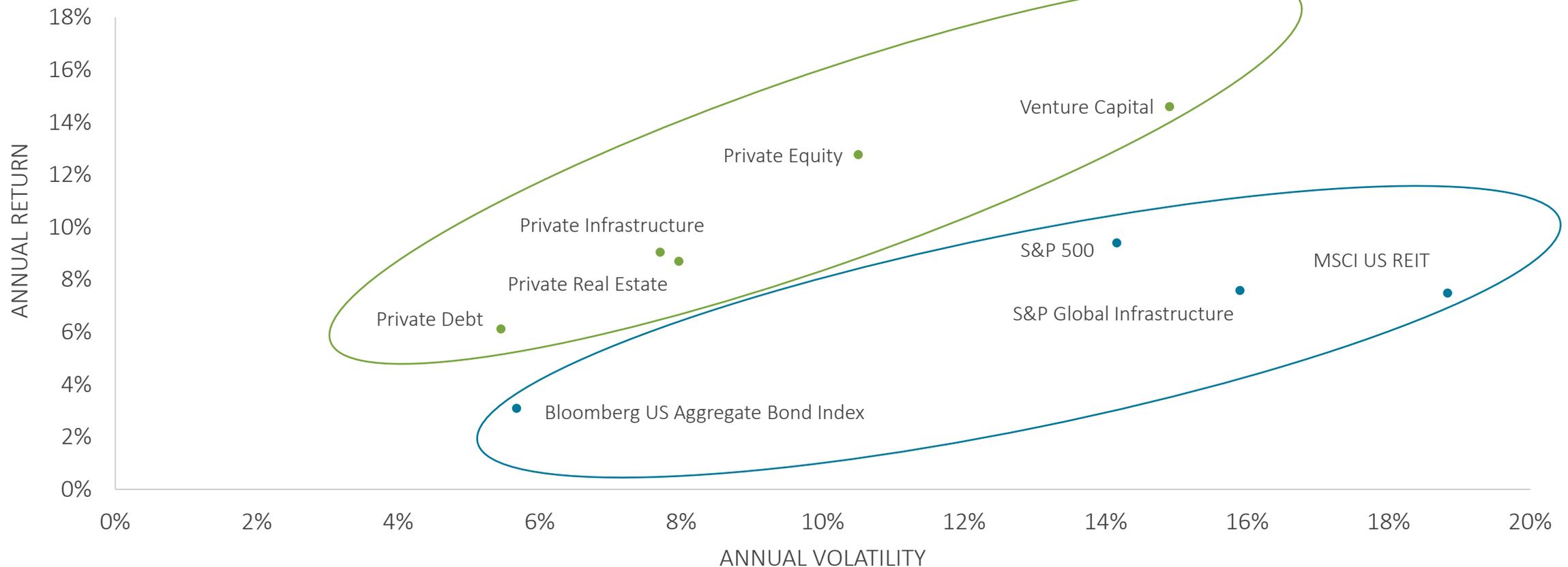


Source: StepStone Private Markets Intelligence (SPI), as of May 2023

Private Markets Beat Public Equivalents on Return and Risk

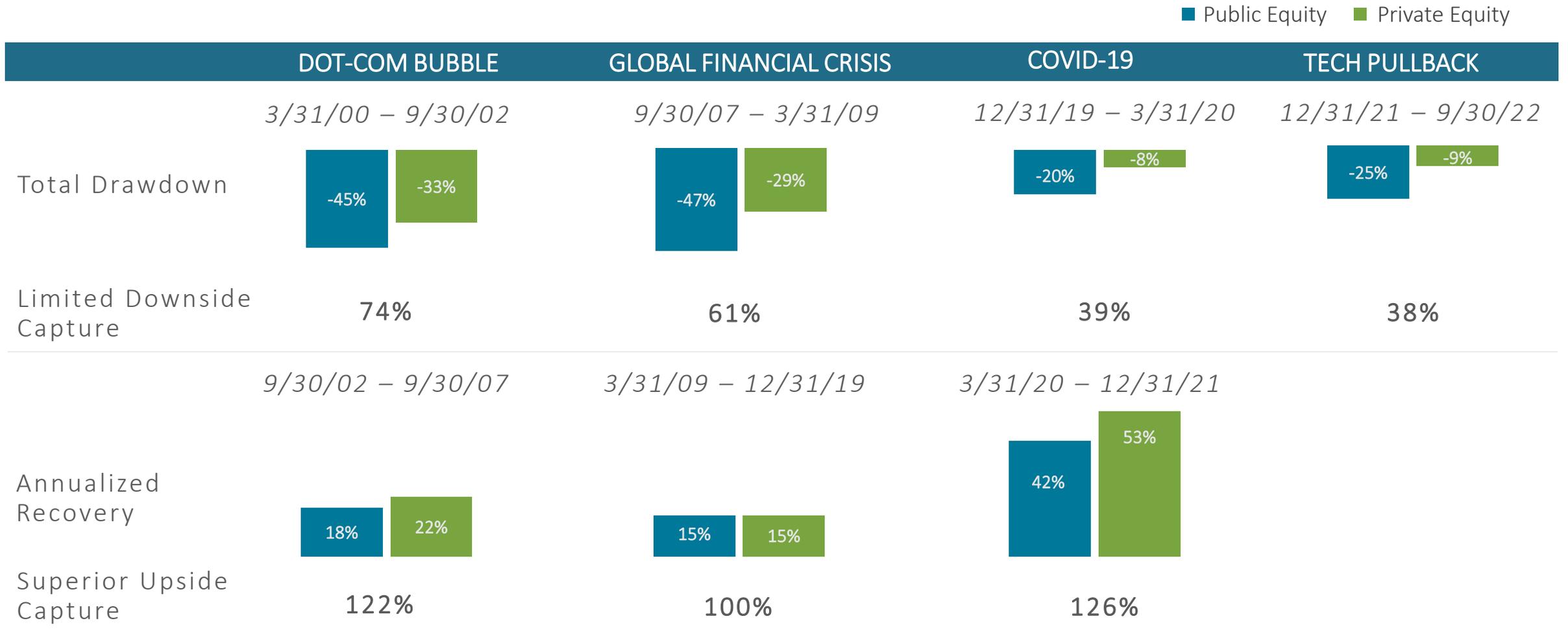
Over nearly the last 20 years, private markets have outperformed public market equivalents, delivering higher returns at lower levels of risk across asset classes

ANNUAL RETURN VS. ANNUAL VOLATILITY



Source: StepStone and Bloomberg, based on quarterly returns from 9/30/04 – 9/30/22

Private Markets Outperformance Driven by Asymmetric Risk Capture



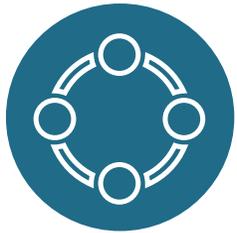
Source: CapIQ, Burgiss, StepStone Portfolio Analytics & Reporting (SPAR), as of May 2023

Public equity performance represents the average of the S&P 500 and the MSCI World indices. Private equity performance represents the average of StepStone’s SPAR database and Burgiss. Total drawdown is defined as the max drawdown between the peak and trough during a crisis. Annualized recovery is the annualized return between the trough of the previous crisis and the peak of the next crisis.

Private Markets Investing Comes with Distinct Challenges

ACCESS

Access to top managers may be limited



INFORMATION

Data is not widely available or easily accessible



LIQUIDITY

Liquidity constraints require sophisticated modeling



COST

Limited number of ways to reduce fee levels



EXPERTISE

Broad skill set needed to evaluate strategies and asset classes



RESOURCES

Due diligence and ongoing monitoring



The Private Market Ecosystem has Evolved Significantly

DIRECT FUND INVESTING

Features:

- + Public market beating returns
- + Limited correlation to public markets

Limitations:

- Cost
- Access
- J-Curve
- Lack of tailored advice
- Large and complex

CONSULTANTS

Features:

- + Customized advice
- + Broad market coverage
- + Client service
- + Cost effective

Limitations:

- Lack of economics to attract investment talent
- Lack of specialization
- Primaries only

FUND OF FUNDS

Features:

- + Specialized strategies
- + Experienced investment teams
- + Alignment of interests
- + Ability to incorporate primaries, secondaries and co-investments

Limitations:

- Not customized
- Double layer of fees
- Lack of scale (primary deployment, number of GP relationships)
- Less individual client service
- Commingled fund only

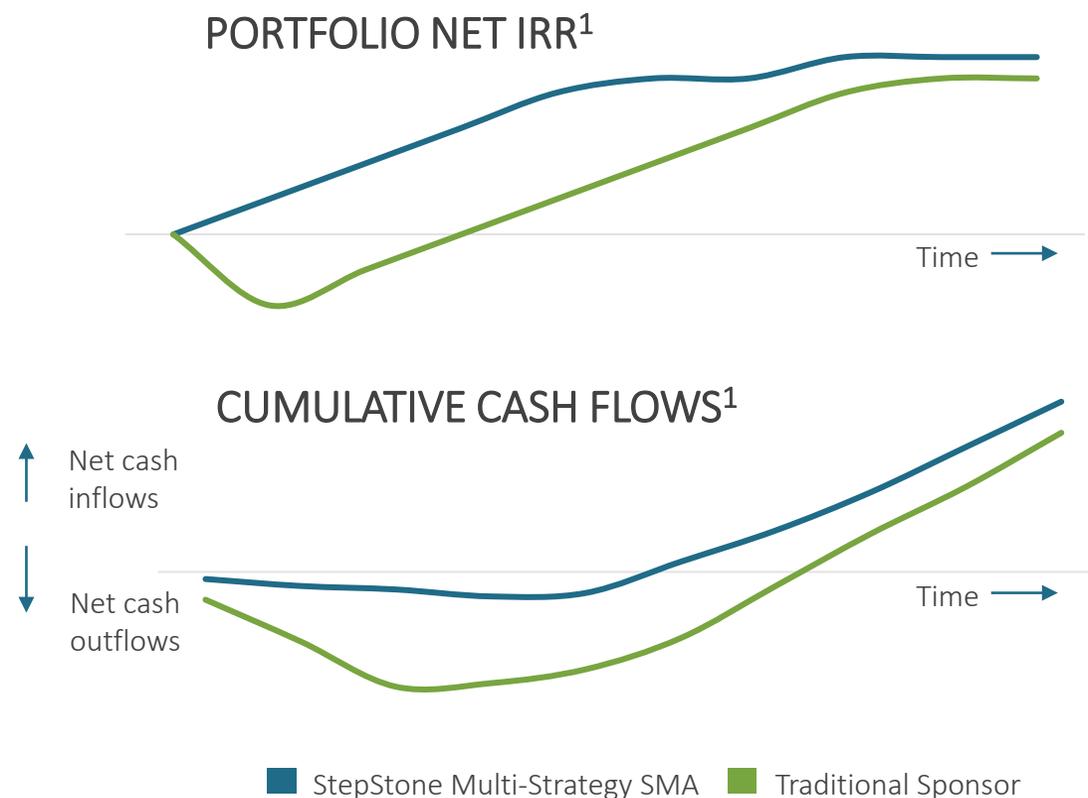
Features:

- + Private markets specialist
- + Tailored portfolio construction
- + Primaries, secondaries, co-investments
- + Advisory, SMA, commingled funds
- + Global access with local presence
- + Leading data and technology platform
- + Client service and knowledge transfer
- + Economics / culture to attract high quality team
- + Cost efficient
- + Robust / intuitive reporting and analytics

STEPSTONE ADVANTAGE VS. TRADITIONAL SPONSOR

- ✓ Access to all private market asset classes
- ✓ Manager diversification
- ✓ Strong net returns
- ✓ An efficient cost structure
 - Scale driven discounts
 - Favorable fee and carry structure on co-investment
- ✓ J-Curve mitigation
 - Purchase price discounts on secondaries that help drive strong net IRRs

ILLUSTRATION OF STEPSTONE MULTI-STRATEGY SMA VS. TRADITIONAL SPONSOR PORTFOLIO



¹For illustrative purposes only. Reflective of a StepStone Private Equity Multi-Strategy SMA.

StepStone Delivers Comprehensive Private Markets Solutions

We believe StepStone’s flexible business model helps clients access opportunities across all asset classes

ASSET MANAGEMENT		ADVISORY	RESEARCH
SEPARATELY MANAGED ACCOUNTS	FOCUSED COMMINGLED FUNDS	ADVISORY & DATA SERVICES	PORTFOLIO ANALYTICS & REPORTING
<ul style="list-style-type: none"> Owned by one client and managed according to their specific preferences Address client’s specific portfolio risk / return, diversification, and liquidity objectives Integrates a combination of investment strategies across one or more asset classes 	<ul style="list-style-type: none"> Owned by multiple clients Deploy capital in specific asset classes with defined investment strategies Seeks to leverage StepStone’s multi-asset class expertise 	<ul style="list-style-type: none"> Recurring support of portfolio construction and design Discrete or project-based due diligence Detailed review of existing private markets investments Consulting services Licensed access to SPI¹ 	<ul style="list-style-type: none"> Provide clients with tailored reporting packages Mandates typically include access to Omni
\$82B AUM	\$43B AUM	\$482B AUA / \$13B AUM	Over \$630B of client commitments

AUM/AUA as of March 31, 2023. Reflects final data for the prior period (December 31, 2022), adjusted for net new client account activity through March 31, 2023. Does not include post-period investment valuation or cash activity. Amounts may not sum to total due to rounding.

¹ StepStone Private Markets Intelligence.

StepStone has a Wide Global Presence with Deep Relationships

StepStone has strategically grown across 25 offices in 15 countries to build enduring relationships with our clients and GPs

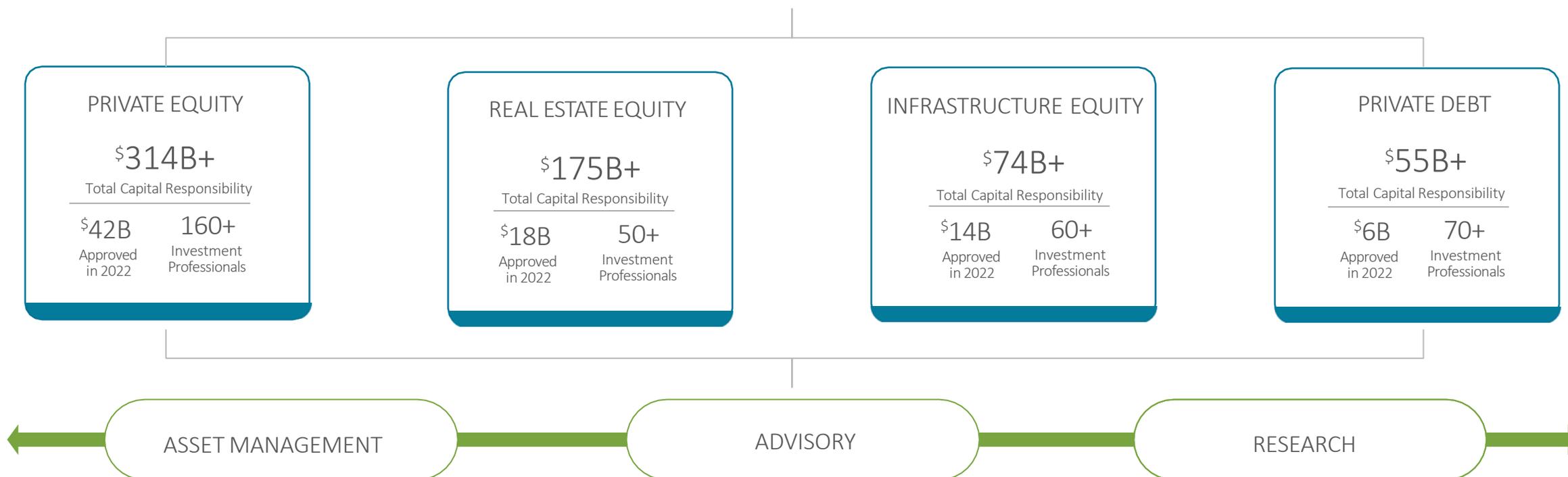


All headcount is presented as of March 31, 2023. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA) and is presented as of March 31, 2023. Reflects final data for the prior period (December 31, 2022), adjusted for net new client account activity through March 31, 2023. Does not include post-period investment valuation or cash activity. Asia-Pacific headcount includes professionals with investment-related responsibilities.

StepStone has a Diversified, Integrated Platform

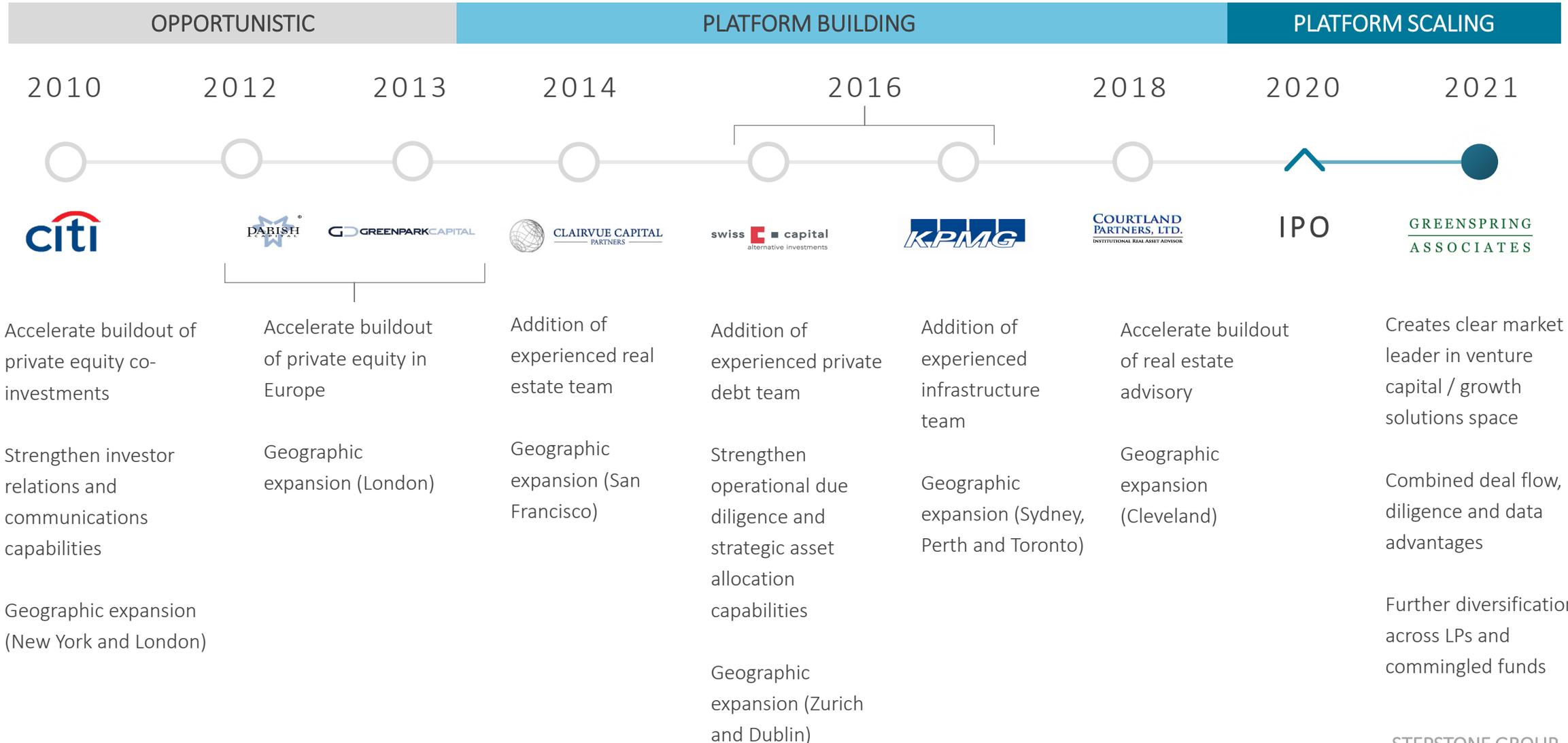
We believe our deep platform allows investors to design single or multi-asset class private market exposures to fit their portfolio needs

Customized Solutions & Strategies Across
All Private Markets Asset Classes



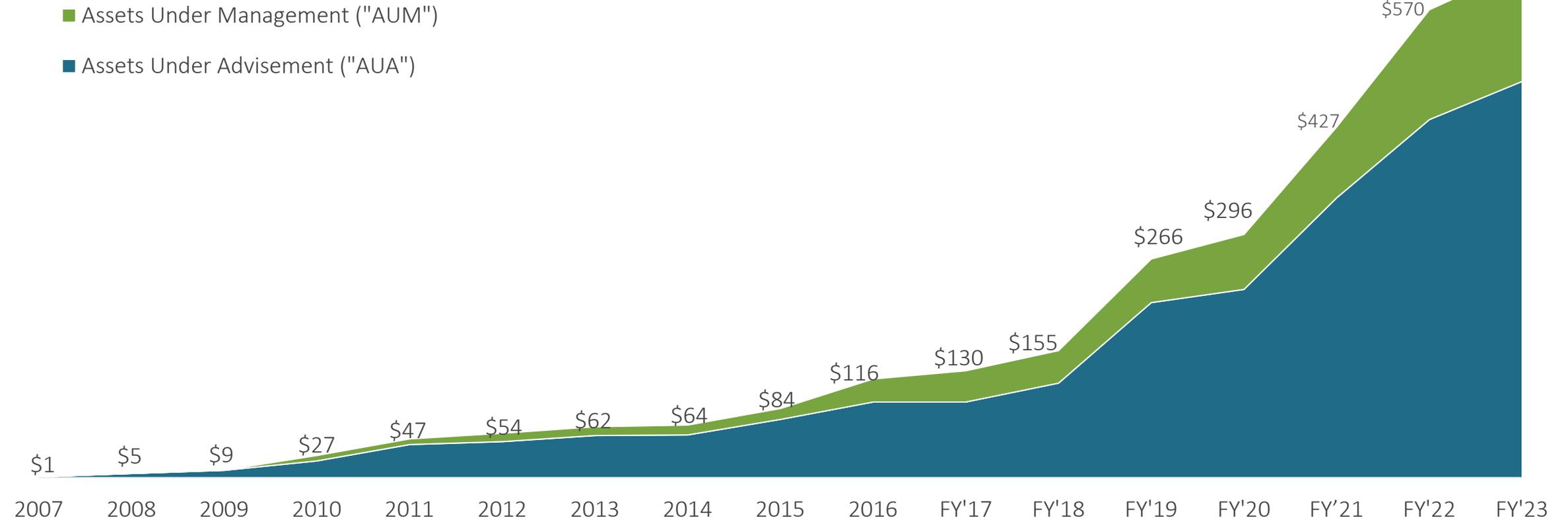
Note: Approvals are LTM as of December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services. Data presented as of March 31, 2023. Private Debt includes all asset classes, including Real Estate and Infrastructure debt totaling \$11.6 billion. Private Debt professionals includes debt specialists from the Real Estate and Infrastructure teams.

StepStone has Successfully Utilized M&A to Strengthen the Platform



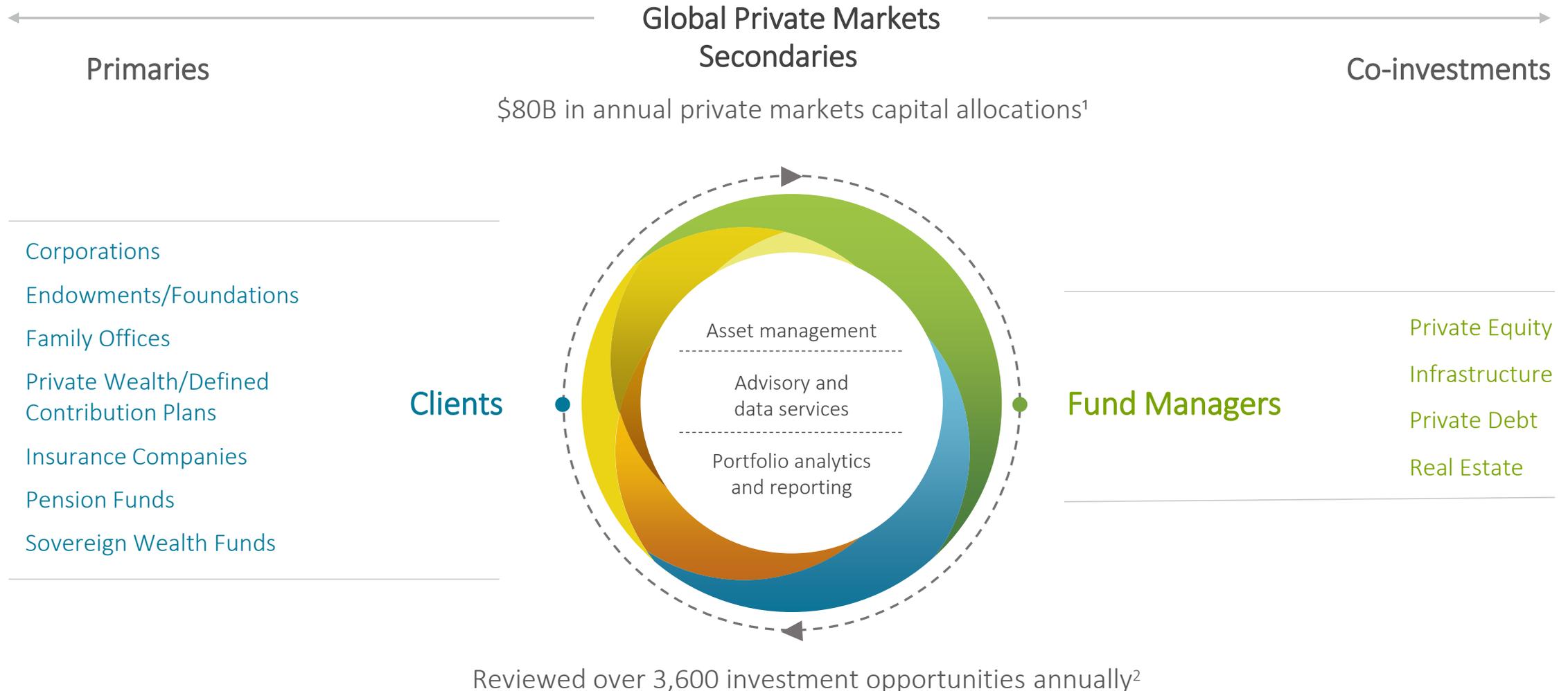
StepStone has Built Significant Scale

TOTAL CAPITAL RESPONSIBILITY (\$B)



Note: Fiscal 2017-2022 reflect total capital responsibility as of March 31 of each fiscal year then ended. Prior year amounts are reported on a calendar year basis. Strategic acquisitions contributed approximately \$5.6 billion, \$1.8 billion, \$0.9 billion, \$3.6 billion, \$2.4 billion and \$22.5 billion of AUM and \$1.0 billion, \$0.0 billion, \$0.0 billion, \$1.0 billion, \$92.5 billion and \$0.0 billion of AUA in calendar year 2010, 2012, 2013, 2016, and fiscal year 2019 and 2022, respectively. As of March 31, 2023, approximately \$0.7 billion, \$0.2 billion, \$0.0 billion, \$2.7 billion, \$2.3 billion and \$18.6 billion of AUM and \$0.0 billion, \$0.0 billion, \$0.0 billion, \$0.2 billion, \$121.6 billion and \$0.0 billion of AUA acquired in calendar year 2010, 2012, 2013, 2016, and fiscal year 2019 and 2022, respectively, remains. An expansion of client data tracked contributed \$70 billion of AUA for fiscal 2021. The incremental client data captured represents assets for which StepStone serves as investment advisor for the portfolio but does not provide monitoring/reporting services and did not make the initial investment recommendation.

StepStone Serves as a Trusted Partner for LPs and GPs Alike

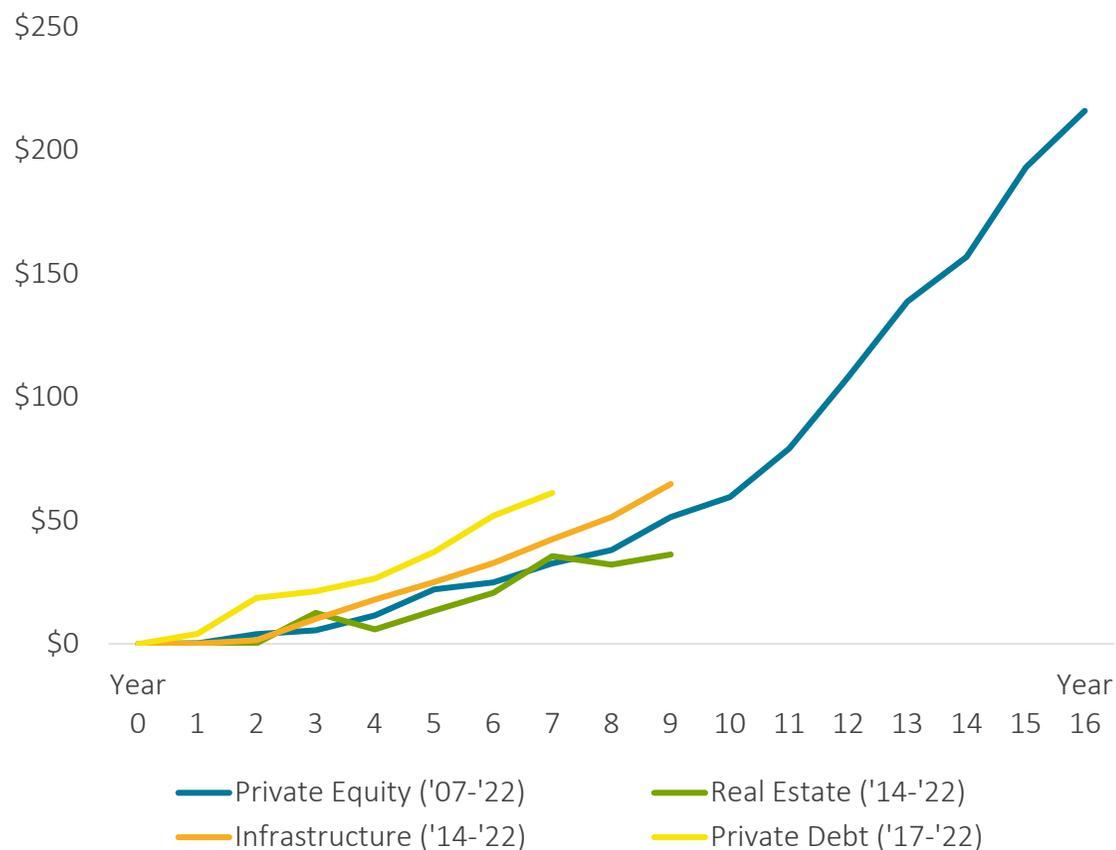


¹ Data reflecting twelve months ended December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services.

² Data reflecting twelve months ended March 31, 2023.

Real Estate, Infrastructure, and Private Debt Positioned to Accelerate

ORGANIC MANAGEMENT & ADVISORY FEES (\$M)^{1,2}



StepStone’s approach to the private markets is proving successful

- Large, senior, experienced teams
- Teams have equity ownership in the businesses they are helping to build

Although helped by market tailwind, private equity growth accelerated after year 10 since StepStone’s inception

- More established track record
- Reups contribute to SMA growth, in addition to new business development
- More recent generation of commingled funds raised at larger sizes

Real estate, infrastructure, and private debt have been on a similar trajectory to private equity in their first 10 years

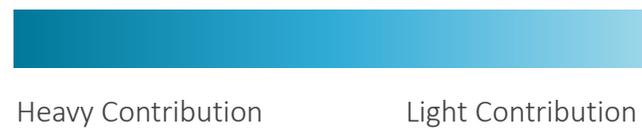
1. Excludes the acquisition of Greenspring, which contributed \$43.4M and \$97.7M of management and advisory fees for fiscal 2022 and fiscal 2023, respectively.

2. Excludes fund reimbursement revenues.

Management and Advisory Fee Mix and Opportunities for Growth

	PRIVATE EQUITY	VENTURE CAPITAL	REAL ESTATE	INFRASTRUCTURE	PRIVATE DEBT
ADVISORY	Light Contribution	Not Offered / N/A	Light Contribution	Light Contribution	Light Contribution
SEPARATELY MANAGED ACCOUNTS	Heavy Contribution	Not Offered / N/A	Light Contribution	Heavy Contribution	Light Contribution
COMMINGLED FUNDS	Heavy Contribution	Heavy Contribution	Light Contribution	Light Contribution	Light Contribution
PRIVATE WEALTH	Light Contribution				

Contribution of Management and Advisory Fees



STEPSTONE'S PERFORMANCE AND GROWTH DRIVERS

Reminders of Why StepStone Went Public



EQUITY CULTURE

- The September 2020 IPO yielded a public float of 31% of the company and extended ownership to over 500 employees
- The public float has since expanded to 56% of the company, as of March 31, 2023, with employees owning roughly a quarter of outstanding shares



INCREASE BRAND AWARENESS AND TRANSPARENCY

- StepStone's higher profile as a public company has enhanced our brand awareness and fundraising, particularly in international markets and in the private wealth channel



UTILIZE THE CAPITAL MARKETS TO PURSUE GROWTH

- StepStone's 2021 acquisition of Greenspring utilized a combination of equity, including STEP common stock, plus cash from our revolver
- Seeded capital for new funds, such as PRIM and SPRING



ATTRACT AND RETAIN TALENT

- Key hires include Head of Human Resources, Head of Business Development, Head of Corporate Investor Relations, and the build out of Enterprise Services
- Implemented stock-based compensation including a long-term incentive plan



INVEST IN DATA AND TECHNOLOGY

- StepStone has built fully integrated tools for investment selection, portfolio planning and reporting, and strategic asset allocation and continues to invest in data, science and engineering

StepStone Has Achieved 20%+ Organic Growth Across Key Measures Since the IPO

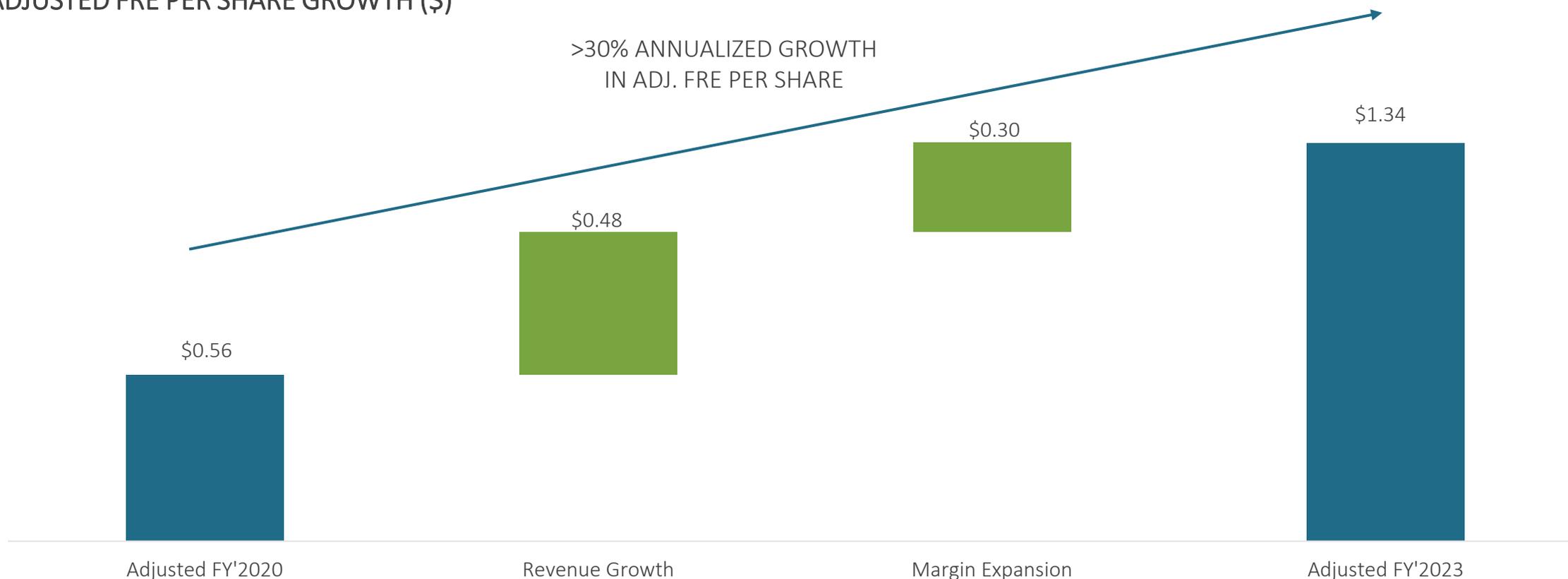


See reconciliation of GAAP to non-GAAP measures in the appendix

FRE Progression Driven by Revenue Growth and Margin Expansion

Driven by strong revenue growth and by operating margin expansion, fee-related earnings per share has grown by an annualized rate of over 30%, adjusting for retroactive fees, since StepStone’s IPO

ADJUSTED FRE PER SHARE GROWTH (\$)

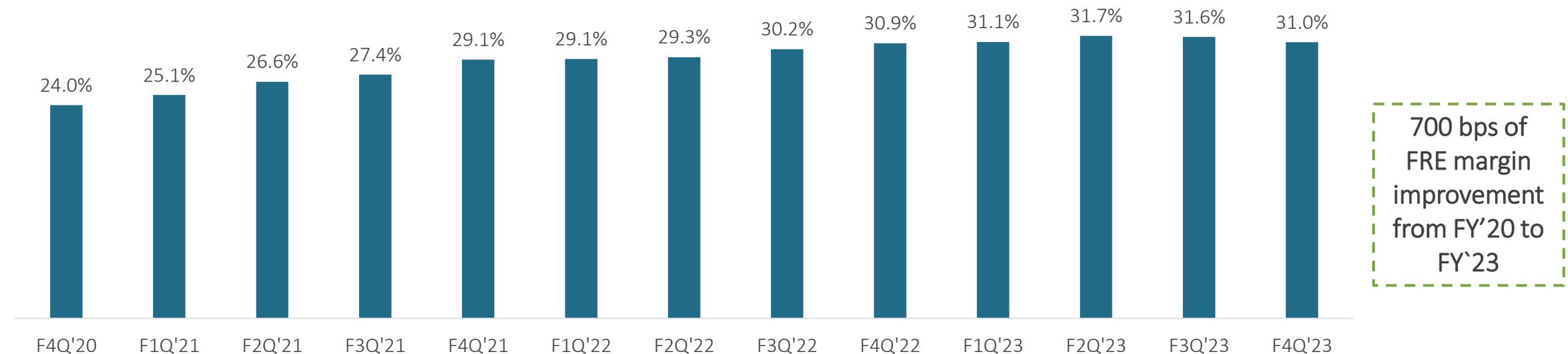


Note: Adjusted FRE per share excludes revenue and fee-related earnings associated with retroactive fees
See reconciliation of GAAP to non-GAAP measures in the appendix

Consistent Record of Margin Improvement with Pathway for Further Expansion

- Core FRE margins have expanded by 700 basis points since fiscal 2020, despite layering on of public company expenses
- Expect to achieve FRE margins in the mid-30s over the medium-to-long term
 - Continued maturation of the asset classes expected to drive further operating leverage
 - Investments in StepStone Private Wealth expected to bear fruit as that business moves from break-even to a material contributor to margin improvement
 - Implementation of strategic cost savings opportunities to achieve incremental improvement in FRE margin, without sacrificing levers for growth

ADJUSTED FRE MARGIN (%)

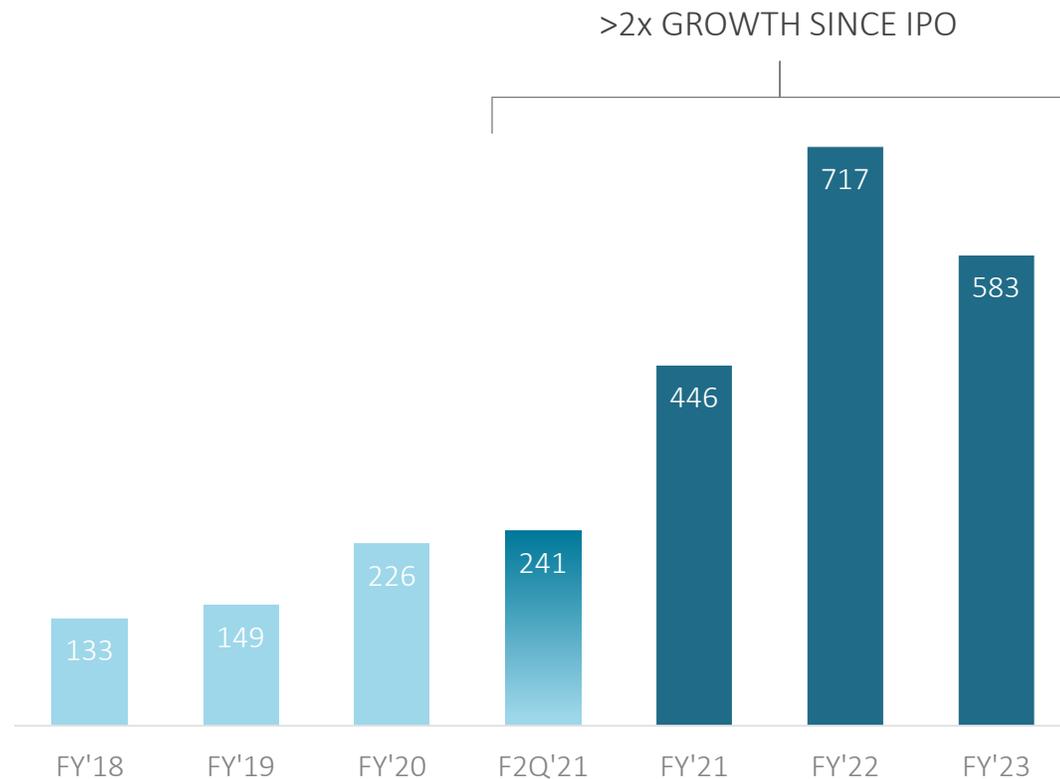


Note: Adjusted FRE per share excludes revenue and fee-related earnings associated with retroactive fees
See reconciliation of GAAP to non-GAAP measures in the appendix

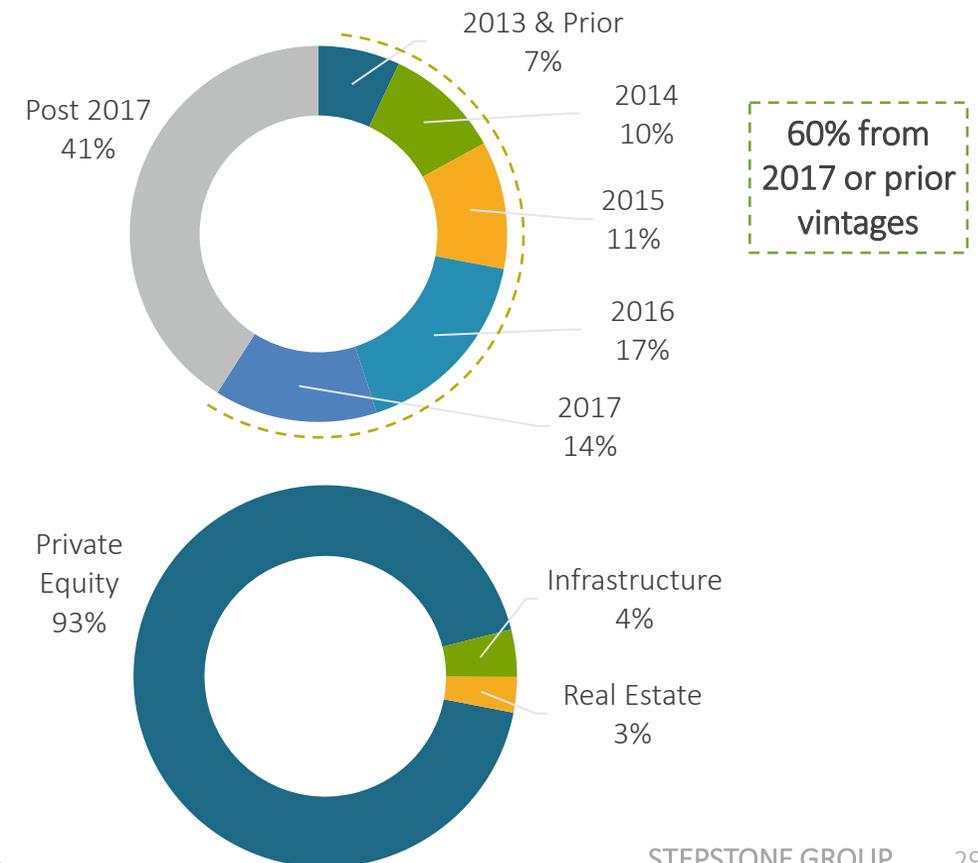
Appreciation in Carried Interest Drives Further Growth in Adjusted Net Income

- Accrued carried interest represents a backlog of revenue that may convert to cash over time as portfolios mature and investments are exited
- Over \$63 billion in performance fee-eligible capital as of March 31, 2023

NET ACCRUED CARRIED INTEREST (\$M)



NET UNREALIZED CARRIED INTEREST BY VINTAGE AND TYPE (%)¹

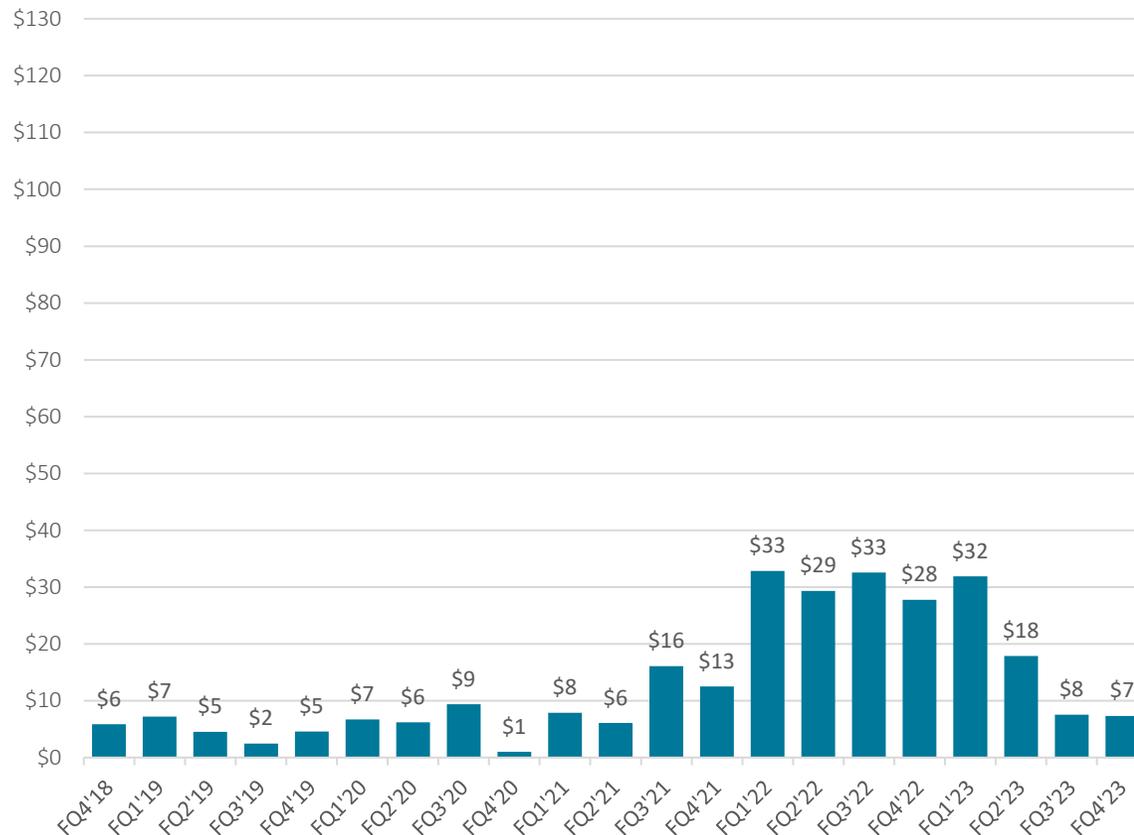


¹As of FQ4'23

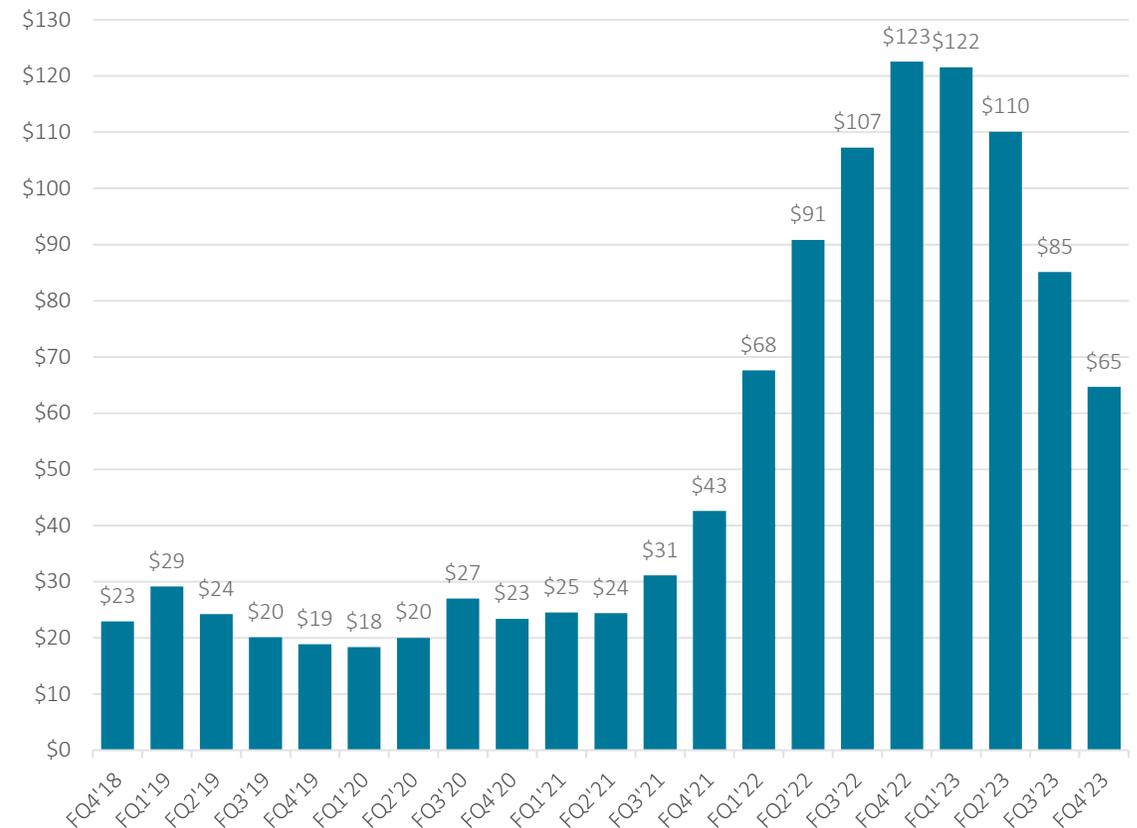
Net Realized Performance Fees Are Growing Over Time

While net realized performance fees will not be linear, the appreciation in accrued carried interest drives growth in performance fees over time

QUARTERLY NET REALIZED PERFORMANCE FEES (\$M)



LTM NET REALIZED PERFORMANCE FEES (\$M)



Note: Net realized performance fees represent gross realized performance fees, less realized performance fee-related compensation. Gross realized performance fees include deferred incentive fees that are not included in GAAP revenues. See reconciliation of GAAP realized performance fees to net realized performance fees in the appendix. Excludes legacy Greenspring entities.

Growth Levers Laid out at the IPO

CONTINUE TO GROW WITH EXISTING CLIENTS

GROW WITH NEW CLIENTS GLOBALLY

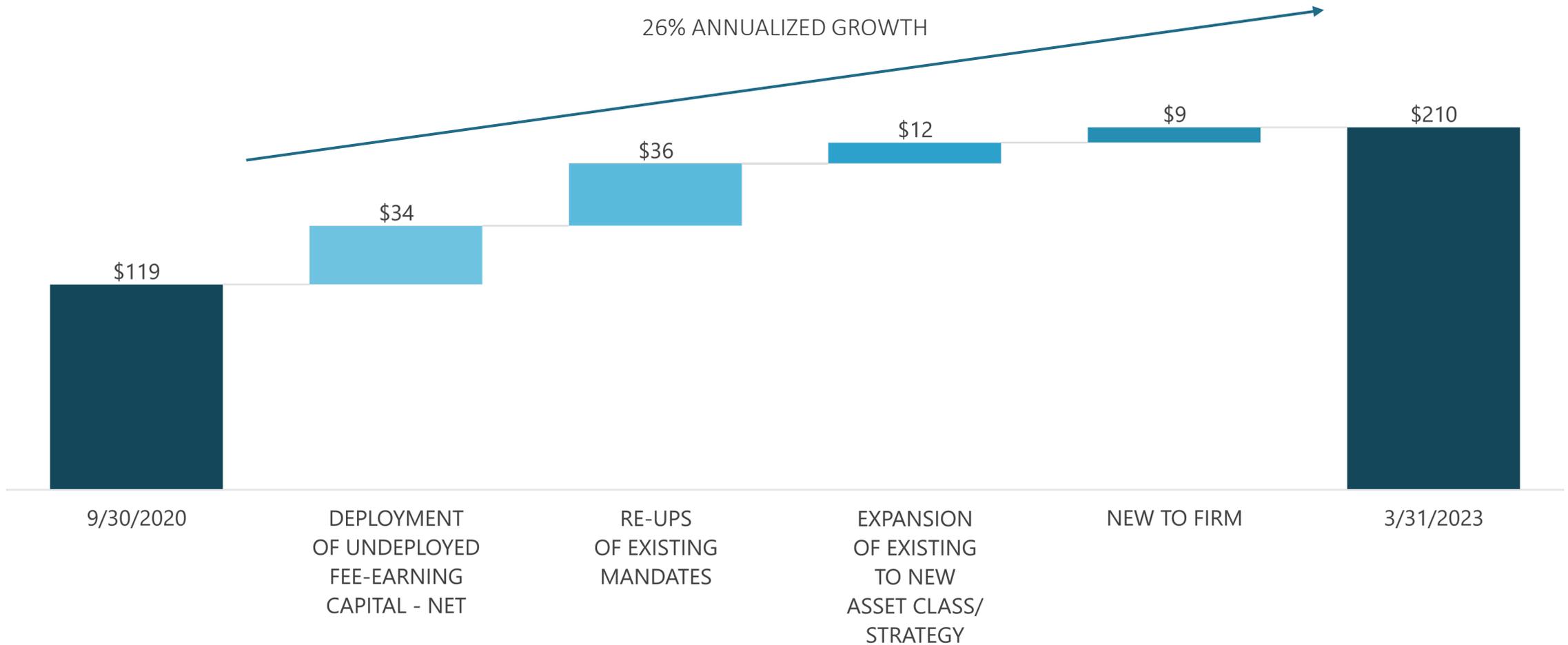
LEVERAGE SCALE TO ENHANCE OPERATING MARGINS

PURSUE ACCRETIVE TRANSACTIONS TO COMPLEMENT
THE PLATFORM



SMA Fee Growth is Driven by both Existing and New Clients

SEPARATELY MANAGED ACCOUNT MANAGEMENT FEES (\$M)

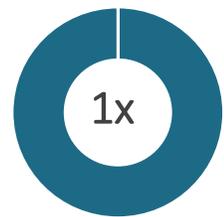


Evolution of a Client Relationship

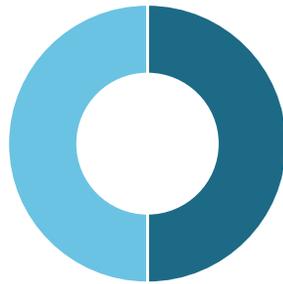
CASE STUDY: EVOLUTION OF A 15 YEAR CLIENT RELATIONSHIP

- Relationship began in 2008 through a private equity-focused advisory mandate
- Evolution of StepStone’s platform has followed our clients needs

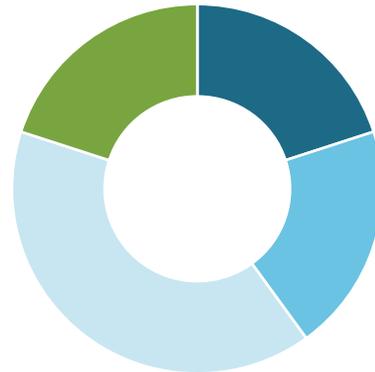
AUM:



■ PE Co-Invest SMA I



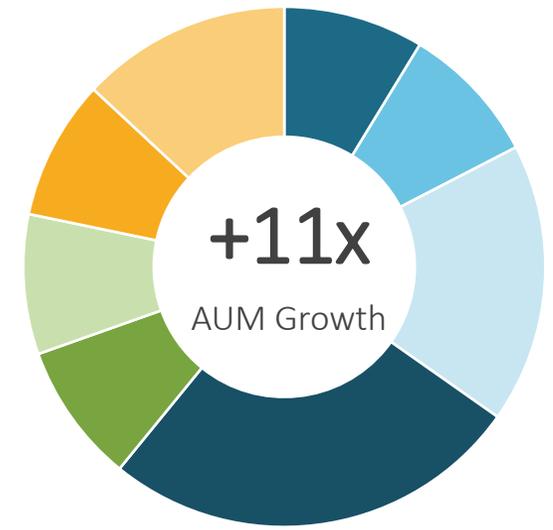
■ PE Co-Invest SMA I
■ PE Co-Invest SMA II



■ PE Co-Invest SMA I
■ PE Co-Invest SMA II
■ PE Co-Invest SMA III
■ Real Estate Co-Invest SMA I



■ PE Co-Invest SMA I
■ PE Co-Invest SMA II
■ PE Co-Invest SMA III
■ RE Co-Invest SMA I
■ Infrastructure SMA I



■ PE Co-Invest SMA I
■ PE Co-Invest SMA II
■ PE Co-Invest SMA III
■ PE Co-Invest SMA IV
■ RE SMA I
■ RE SMA II
■ Infrastructure SMA I
■ Infrastructure SMA II

ADVISORY:

PE Advisory

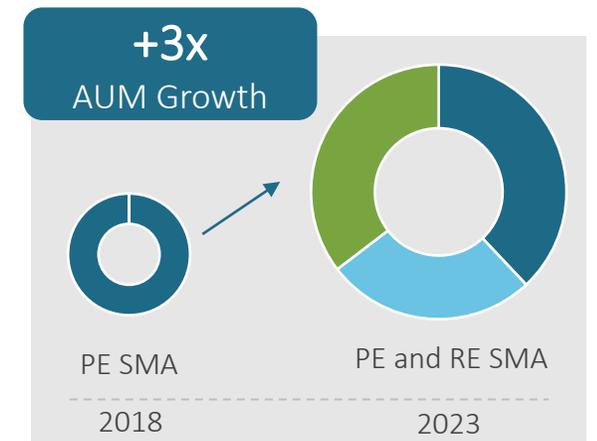
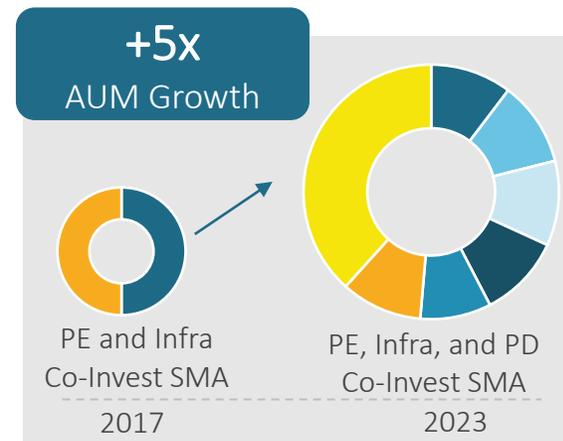
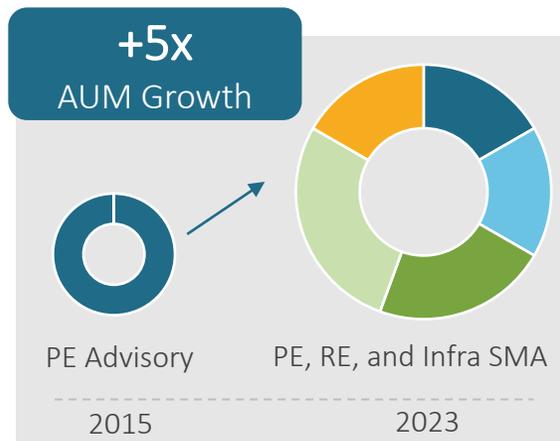
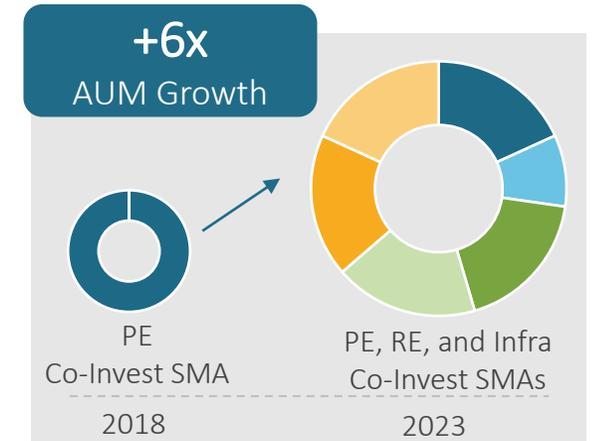
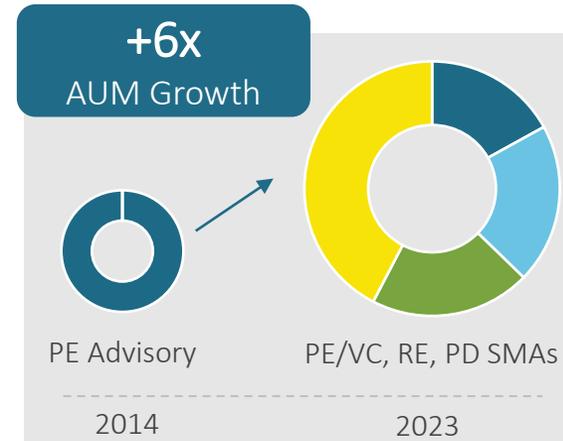
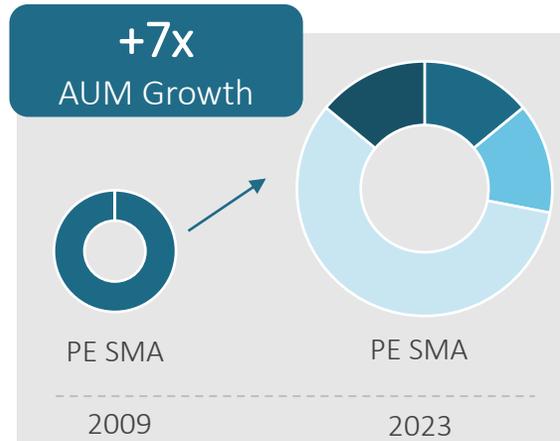
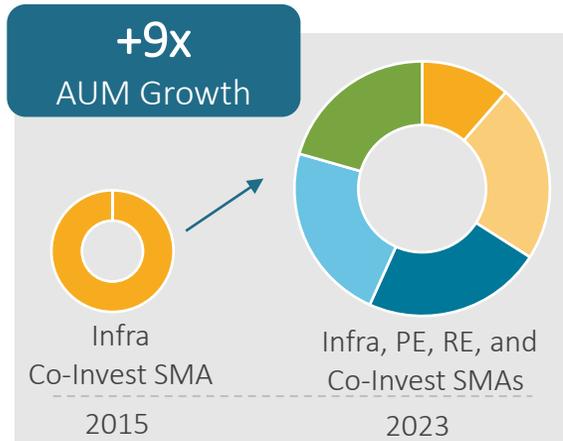
PE Advisory

RE and Infra Advisory

2008

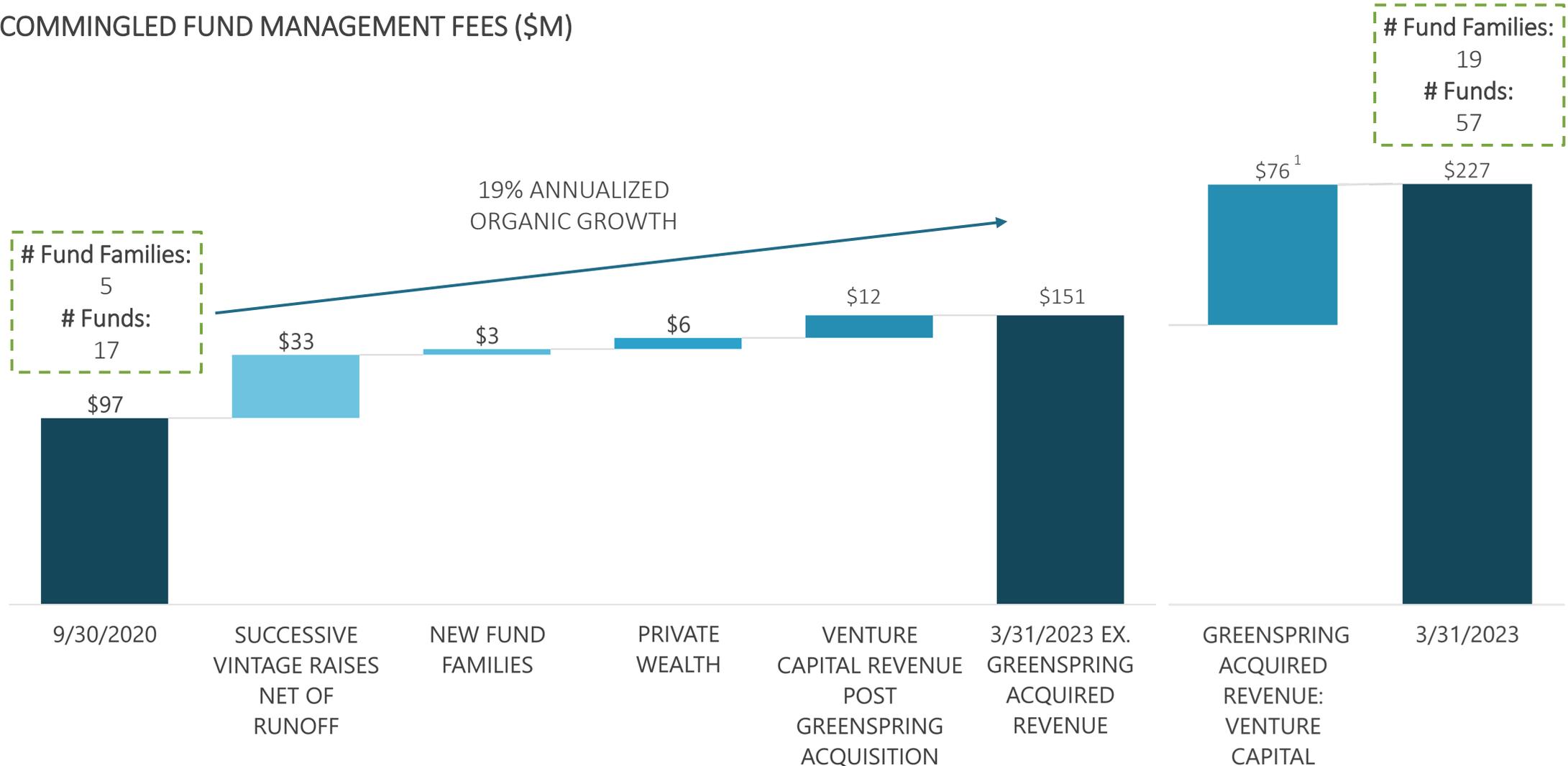
2023

Similar Evolution Across our Other Clients



Commingled Funds Offer Solid Foundation for Growth

COMMINGLED FUND MANAGEMENT FEES (\$M)



¹Represents annualized Greenspring revenue at the time of acquisition

StepStone's Commingled Fund Product Details

FUND FAMILY	DESCRIPTION	FUND SIZE (\$M) ¹
<u>PRIVATE EQUITY</u>		
StepStone Capital Partners Funds ("SCP")	Private Equity Co-Investments	■ SCP III (2015) \$604
		■ SCP IV (2018) \$1,302
		■ SCP V (2021) \$2,364
StepStone Secondaries Opportunities Funds ("SSOF")	Private Equity Secondaries	■ SSOF II (2012) \$460
		■ SSOF III (2016) \$950
		■ SSOF IV (2019) \$2,097
StepStone Tactical Growth Funds ("STGF")	Multi-Strategy Growth Equity	■ STGF I (2013) \$131
		■ STGF II (2017) \$214
		■ STGF III (2020) \$696
<u>PRIVATE DEBT</u>		
StepStone Corporate Lending Funds ("SCL")	Corporate Direct Lending	■ SCL I (2017 / 2018) \$795
		■ SCL II (2021) \$1,275
StepStone Credit Opportunities Fund ("SCOF")	Corporate / Opportunistic Lending	■ SCOF I (2021) \$632
<u>REAL ESTATE</u>		
StepStone Real Estate Partners Funds ("SREP")	Special Situations Real Estate Secondaries	■ SREP III (2015) \$950
		■ SREP IV (2019) \$1,404
<u>INFRASTRUCTURE</u>		
Inaugural Infrastructure Co-Investment Fund	Infrastructure Co-Investments	

¹Reflects closed funds for each category of investment strategy, since 2012

StepStone's Commingled Fund Product Details

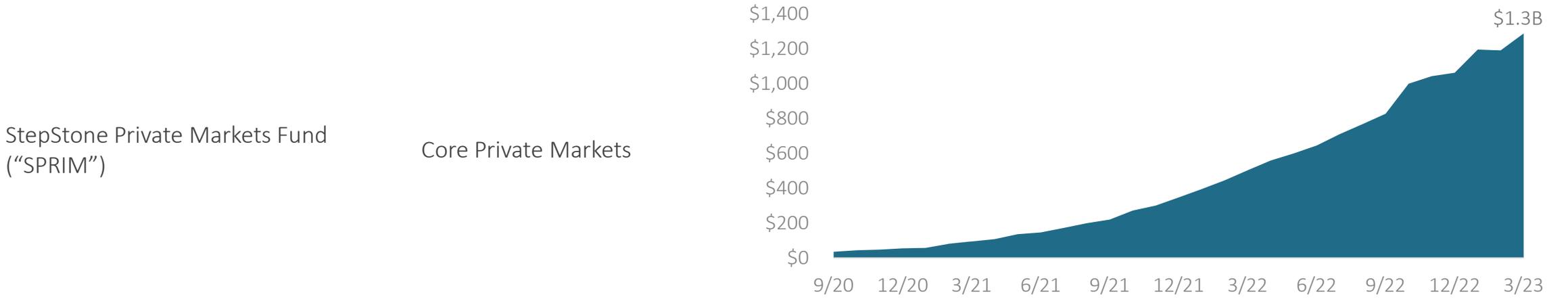
FUND FAMILY	DESCRIPTION	FUND SIZE (\$M) ¹
StepStone VC Global Partners	Multi-Strategy Global Venture Capital	<ul style="list-style-type: none"> ■ Fund VI (2014) \$399 ■ Fund VII (2015) \$430 ■ Fund VIII (2017) \$595 ■ Fund IX (2019) \$1,000 ■ Fund X (2020) \$1,480
StepStone VC Opportunities	Expansion Stage Venture Capital Directs	<ul style="list-style-type: none"> ■ Fund III (2014) \$179 ■ Fund IV (2016) \$330 ■ Fund V (2018) \$480 ■ Fund VI (2020) \$653
StepStone VC Secondaries	Venture Capital Secondaries	<ul style="list-style-type: none"> ■ Fund I (2014) \$87 ■ Fund II (2016) \$200 ■ Fund III (2018) \$330 ■ Fund IV (2020) \$800 ■ Fund V (2021) \$2,600
StepStone VC Early Stage	Early Stage Venture Capital Directs	<ul style="list-style-type: none"> ■ Fund I (2018) \$203 ■ Fund II (2021) \$352
StepStone VC Micro	Micro Venture Capital Primaries	<ul style="list-style-type: none"> ■ Fund I (2016) \$73 ■ Fund II (2018) \$151 ■ Fund III (2020) \$198 ■ Fund IV (2022) \$234

¹Reflects closed funds for each category of investment strategy, since 2012

StepStone's Commingled Fund Product Details: Private Wealth / Evergreen



FUND FAMILY	DESCRIPTION	FUND SIZE (\$M)
-------------	-------------	-----------------

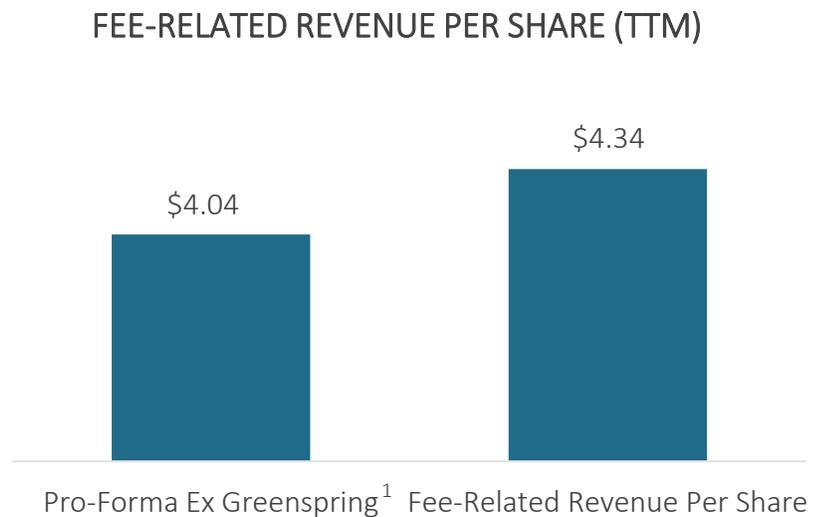


Greenspring Acquisition Augmented VC Capabilities; Accretive to EPS

- StepStone acquired Greenspring, a dedicated venture and growth equity platform, in September 2021, materially increasing StepStone’s venture and growth equity capabilities, while adding more than 2,000 distinct LP relationships to the platform
- Greenspring has added \$0.30 per share to fee-related revenue and has been positively accretive to fee-related earnings per share and adjusted net income per share

THE GREENSPRING ACQUISITION HAS BEEN ACCRETIVE TO EARNINGS

DRIVING SYNERGIES ACROSS THE PLATFORM



¹ Pro-forma fee-related revenue per share ex Greenspring excludes \$98M of revenue, tied to \$12.9B of VC FEAUM, and excludes 15.8M shares used to finance the transaction.

² VC / Growth Equity includes StepStone’s multi-strategy growth equity funds as well as StepStone’s venture capital commingled fund fee-earning assets under management

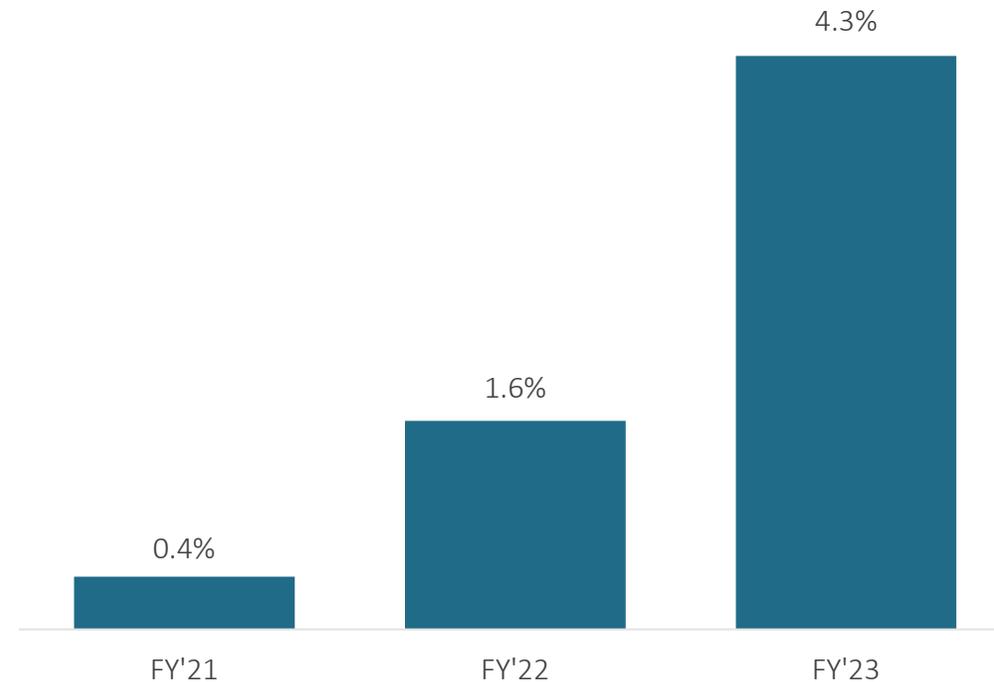
Capital Management: Shareholder Dividends

Robust and predictable payout of fee-related earnings through normal quarterly dividends augmented through supplemental payouts driven by performance-related earnings provides strong and consistent payout to StepStone’s shareholders

DIVIDEND PER SHARE (\$)¹



DIVIDEND YIELD (%)²

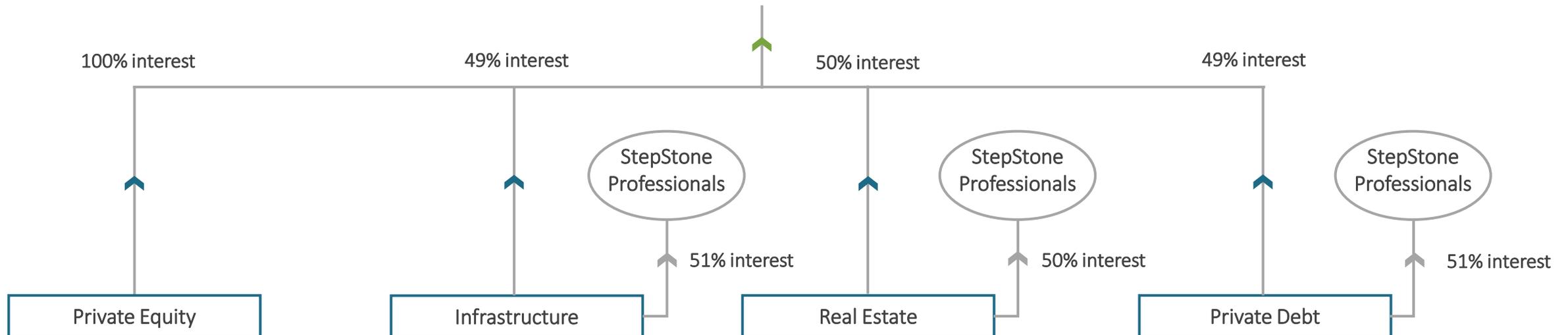


¹Reflects dividends declared tied to earnings of the fiscal period in which earned

²Dividend yield calculated as dividends tied to fiscal year-end earnings divided by fiscal year-end stock price

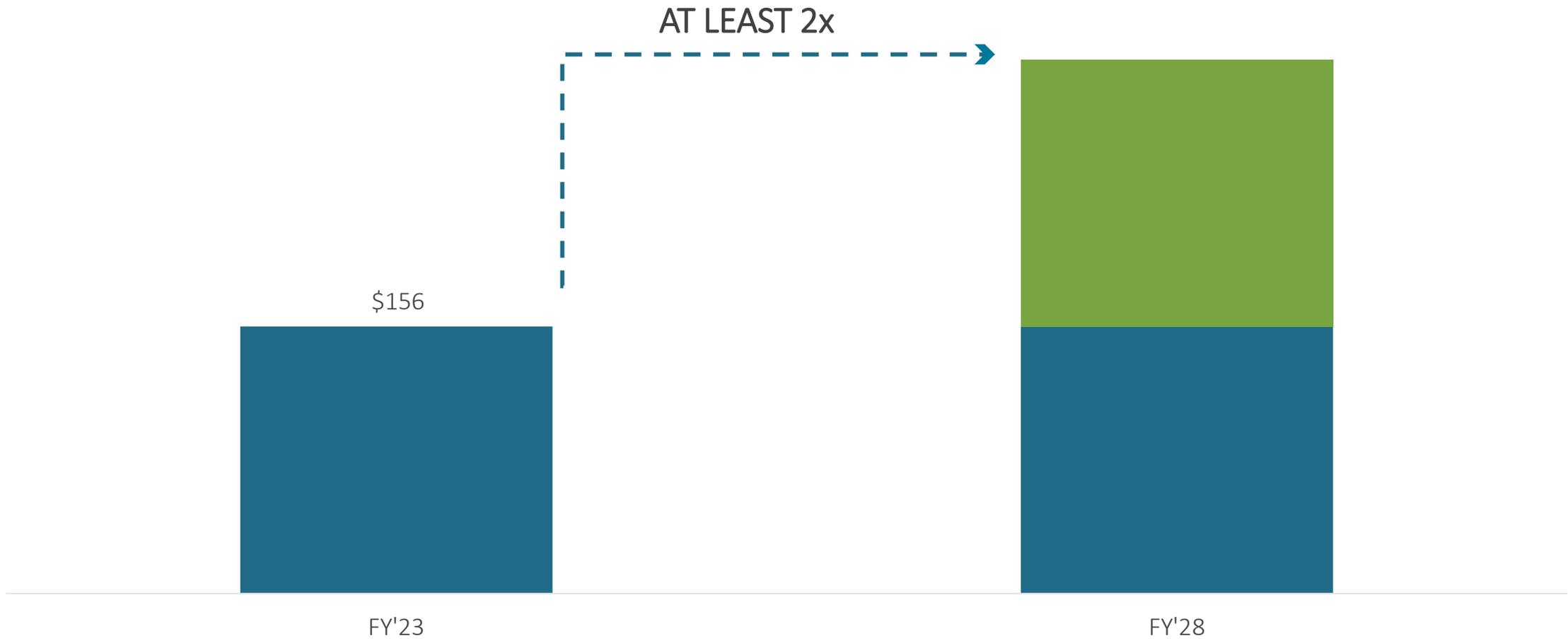
Capital Management: Buy-in of Non-Controlling Interest over Time

- StepStone’s corporate structure reflects our equity culture, which continues to be highly effective
- Our existing equity structure aligns the incentive of our teams to the growth of our non-PE asset classes
- We expect to buy-in the non-controlling interests over time in an accretive manner



Path to At Least Double Fee-Related Earnings by Fiscal 2028

FEE-RELATED EARNINGS (\$M)



MARKET OPPORTUNITY

Large and growing addressable market for institutional and private wealth investors

THE STEPSTONE ADVANTAGE

StepStone was purpose-built to take full advantage of the market opportunity

- Scale
- Diversity across asset classes
- Product breadth
- Geographic reach
- Data and technology advantage
- Customized solutions

GROWTH DRIVERS

Capabilities across asset classes, strategies, and commercial structure enables growth with existing and new clients

Global and local approach allows for market penetration in the fastest growing geographies

Investment in private wealth enables growth in the most underserved client base

We see a clear path to at least double fee-related earnings in the next five years

PRIVATE EQUITY / VENTURE CAPITAL

Private Equity Key Attributes



RISK / RETURN

Highest return potential among the private market asset classes

Potential for the widest distribution of individual investment results



BENEFITS

Returns regularly outperform public markets

Limited correlation to public markets

Long-term, control-oriented investing

Diversification benefits and increased opportunity set vs public markets



GROWTH

Private equity AUM has grown at a mid-teens annualized rate over the last two decades¹

North American markets are growing strong but are relatively mature. International markets are still in an earlier stage of growth

¹Source: Preqin

StepStone Private Equity at a Glance



SIGNIFICANT PRIMARY ALLOCATOR

Among the **top global independent** allocators of primary capital¹

Over **\$90 billion** of PE primary commitments approved across **500+ funds** in the last 3 years²



PROACTIVE SOURCING

Proactive calling and outreach effort

Over **2,000 GP** meetings in last twelve months

Sourcing responsibilities and incentives across **all private equity professionals**



EXPERTISE

10 individual sector teams with experience across transaction type, size, and investment stage

~50 senior investment professionals with approximately **20 years** of average investment experience

¹Represents position among independent private LPs. Based on Preqin, as of January 2023, public disclosures and StepStone research. Note that there are no comprehensive ranking sources for these activities. Independent private LPs defined as investors that are not an affiliate of a government or financial institution. Represents StepStone's position among independent private LPs by comparing our annual fund commitments on behalf of discretionary and non-discretionary advisory clients to LP allocations in Preqin's LP database. Based on StepStone's SPI database as of December 31, 2022.

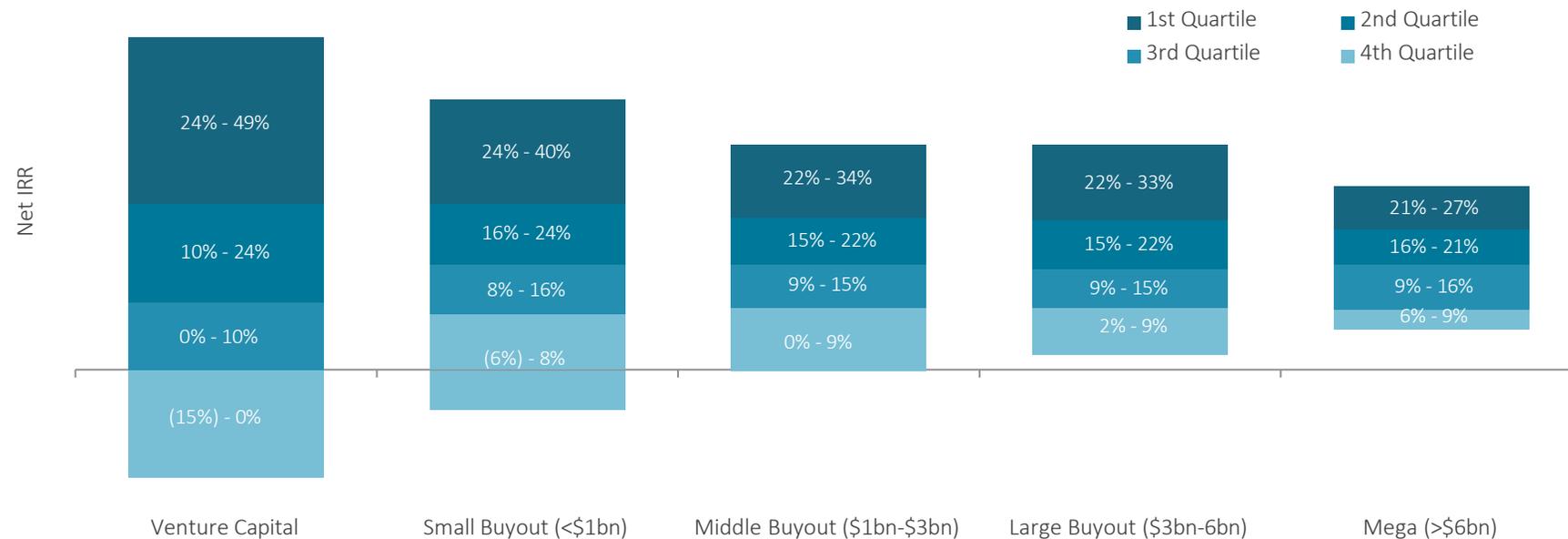
²StepStone metrics as of 3/31/23

Manager Selection is a Critical Success Factor

- There is significant performance variability between high performing and low performing private equity managers
- StepStone aims to identify the best managers within the top quartile and avoid exposure to the bottom quartile

VOLATILITY / RETURN DISPERSION

QUARTILE ANALYSIS (1998 – 2017)



Source: Burgiss as of June 30, 2022 for North America Funds with vintages from 1998 – 2017. More recent fund vintages are not included above, as they are not in the mature stage of their investment cycle, and their returns would not be meaningful for this analysis.

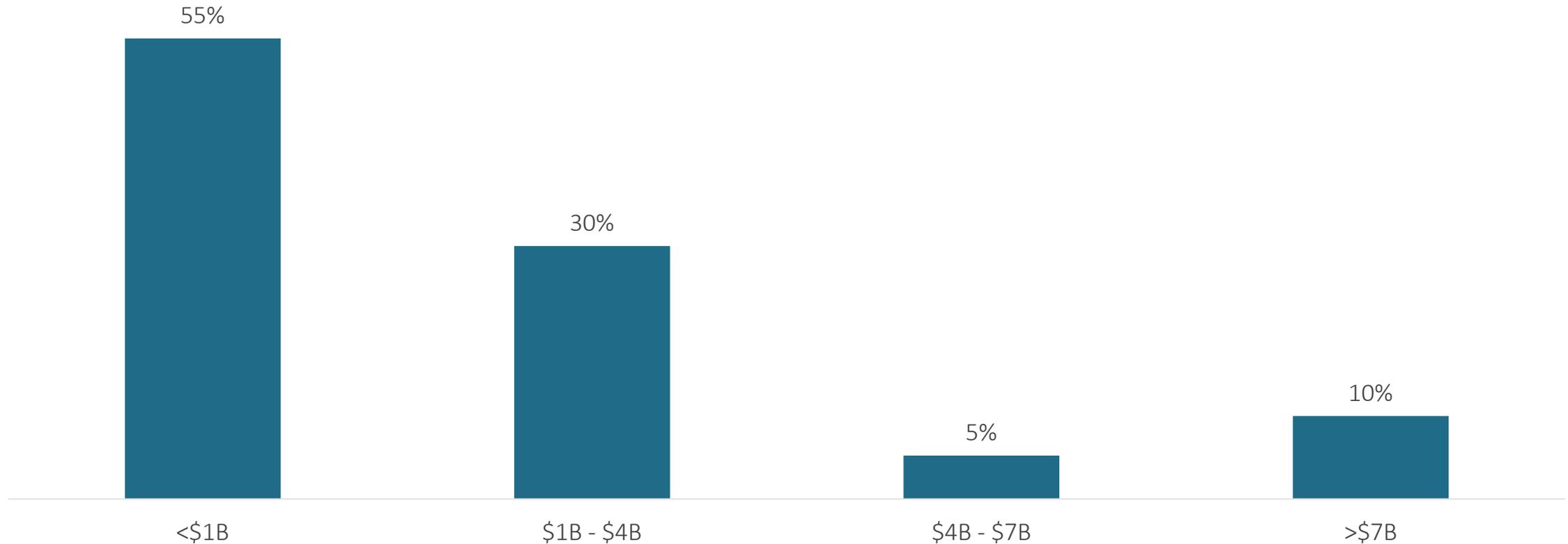
Small to Midsize Funds Comprise the Majority of StepStone's PE Allocations



StepStone directs most allocations to small and mid-size funds which have higher dispersion of returns than other segments

STEPSTONE'S DISPERSION OF PRIMARY FUND ALLOCATIONS BY FUND SIZE (%)

LAST 12 MONTHS



Source: SPI, based on number of individual allocations

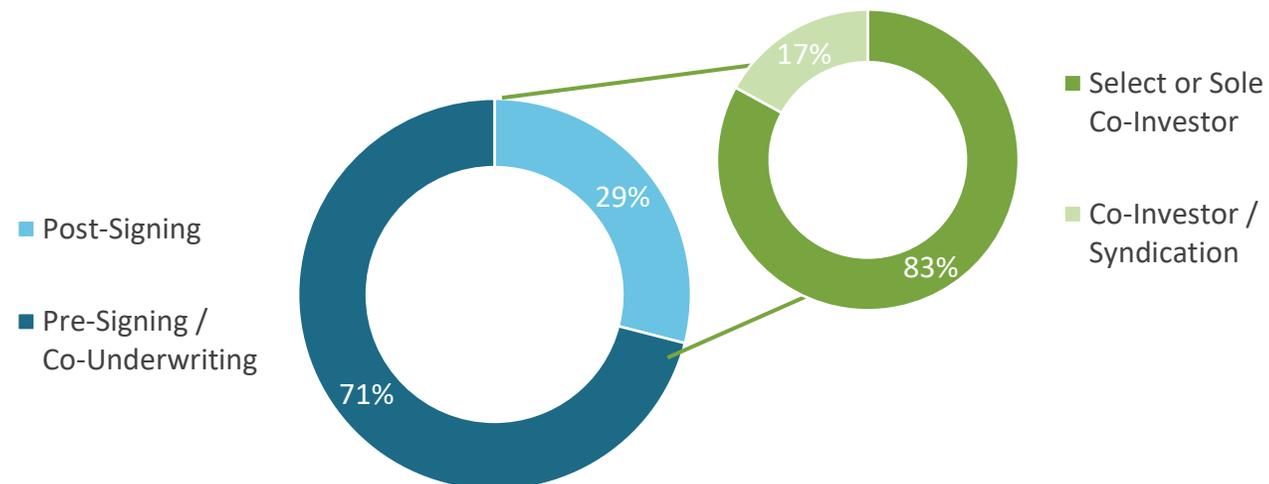
Proactive and Highly Selective Co-investment Process

- StepStone is one of the most active private markets investors globally
- Our primary, secondary, and co-investment platforms result in a large opportunity set, allowing us to maintain selectivity with a completion rate of 10% or less, consistently
- Over 70% of transactions completed / signed in the last 36 months have been prior to the sponsor signing the deal. Our proven ability to execute early and swiftly makes us a preferred partner with the GPs

COMPLETION RATE¹



CO-INVESTOR TIMING & ROLE²



¹Source: StepStone. Transaction flow for the twelve months ended December 31, 2022. Excludes transactions categorized as venture capital, tactical growth, real estate, infrastructure or mezzanine, which are strategies not generally expected to be pursued by this co-investment program. Historical figures are subject to change.

²Based on capital committed for transactions completed in the last 36 months ended December 31, 2022.

Robust Secondaries Capabilities across GP and LP Led Transactions

ANNUAL TRANSACTION VOLUME (\$B)



LIMITED PARTNER LED TRANSACTIONS

- Emphasis on sponsor and portfolio quality
- GP-directed or influenced transactions with the ability to hand-pick select opportunities
- Typically purchasing 1-2 select fund interests, managed by highly rated GPs which StepStone knows very well

GENERAL PARTNER LED TRANSACTIONS

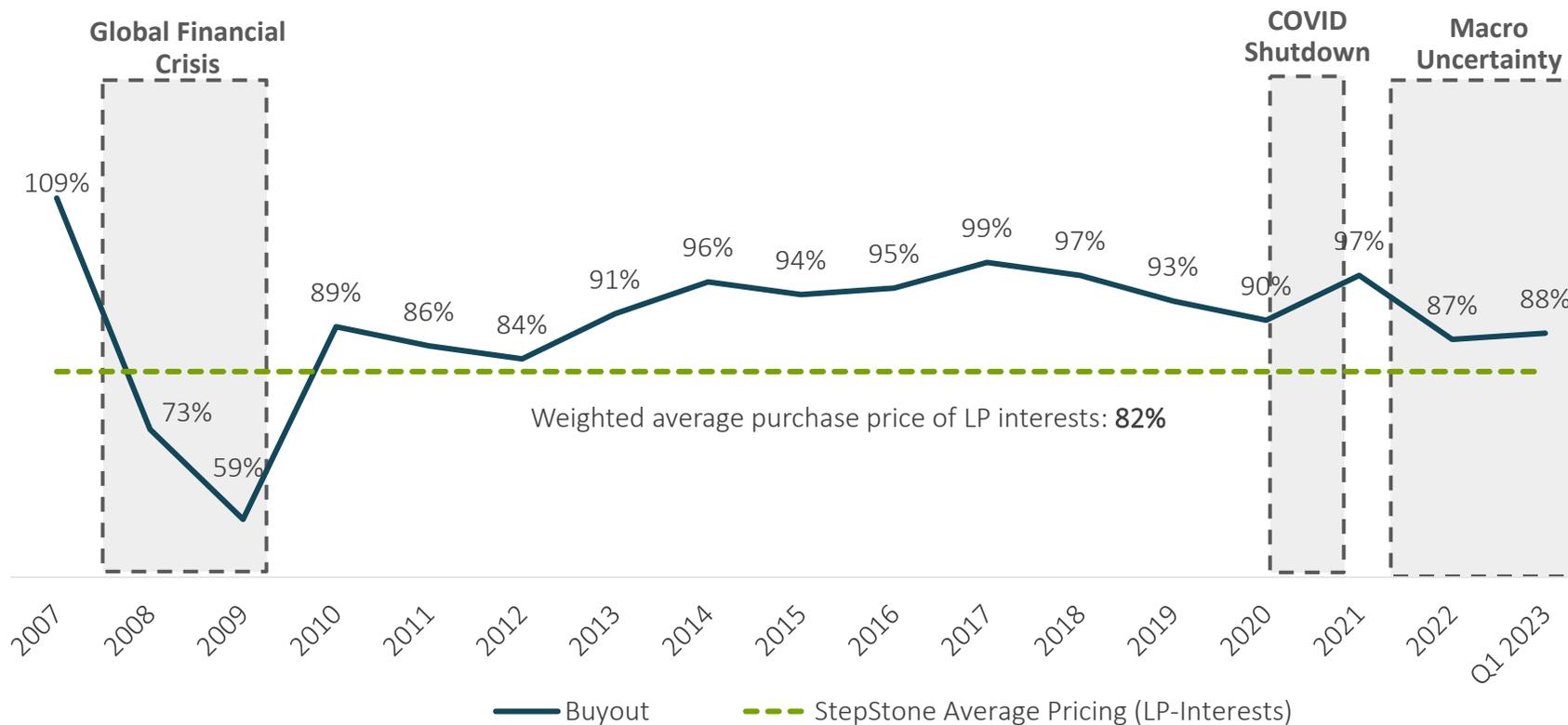
- Emphasis on trophy companies amongst high quality sponsors
- Resilient business models with stable / recurring cashflows
- Strong alignment amongst both GP and management teams

Source: Jefferies Global Secondary Market Review, as of January 2023

StepStone is a Disciplined and Opportunistic Buyer of Secondary Interests

Since inception, StepStone has achieved an aggregate weighted-average discount to NAV of 18% on LP interests transactions

SECONDARY BUYOUT PRICING¹



STEPSTONE SECONDARY STRATEGY

18%
Wtd. Avg. Discount
– LP interests²

91%
1st and 2nd
quartile³

¹Source: Jefferies Global Secondary Market Review (January 2023). Average secondary pricing represents the average pricing of buyouts tracked by Jefferies, as a % of NAV to record date as of each period end

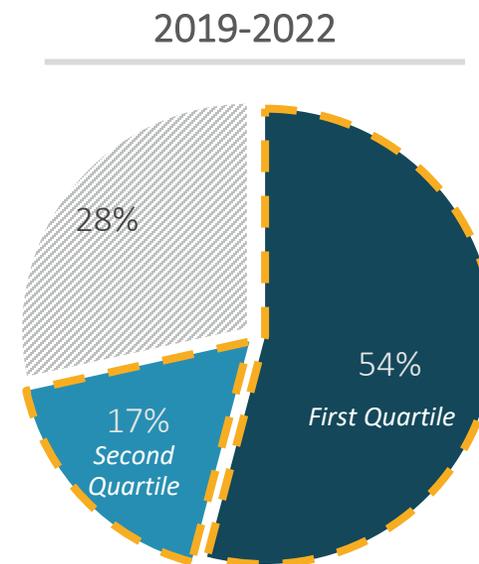
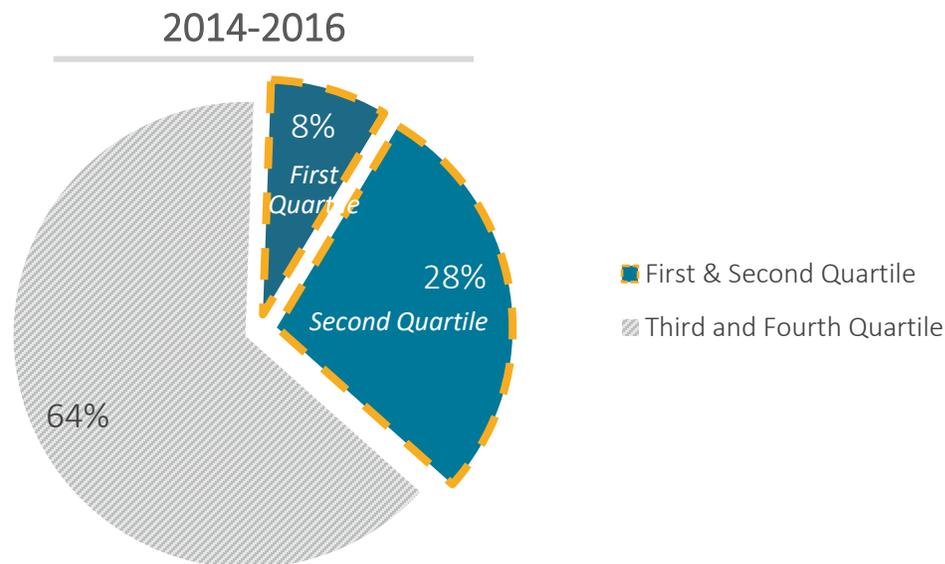
²Discounts through September 30, 2022. For LP stake deals only

³Represents purchase of fund interests from 2019 to the present

High-Quality GPs Increasingly Leveraging Secondaries

GP-LED VOLUME BY QUARTILE^{1,2}

- First and second quartile GPs are increasingly leveraging the secondary market
- Single asset transactions are particularly attractive to top quality GPs who seek to further accrue value from “trophy” assets
- Pre-2018, GP-led market was primarily a solution for GPs searching to restructure zombie funds



STEPSTONE GP-LED STRATEGY³

100%
Ranked 1st or 2nd Quartile

77%
Ranked 1st Quartile

Manager references are for illustrative purposes only and do not constitute investment recommendations.

¹Source of GP-Led transactions is based on data from SPI and Preqin for the periods prescribed in the graphs: (2014-2016) and (2019-2021); quartile ranking was assessed using a comparison of the latest available performance for the investments transacted relative to the Private IQ benchmarks for investments of the same vintage. Analysis was completed using transaction data available as of September 2022.

²Weighting based on GP quality adjusted for transaction volume. Deals up to Q4 2022 includes all deals closed and pending.

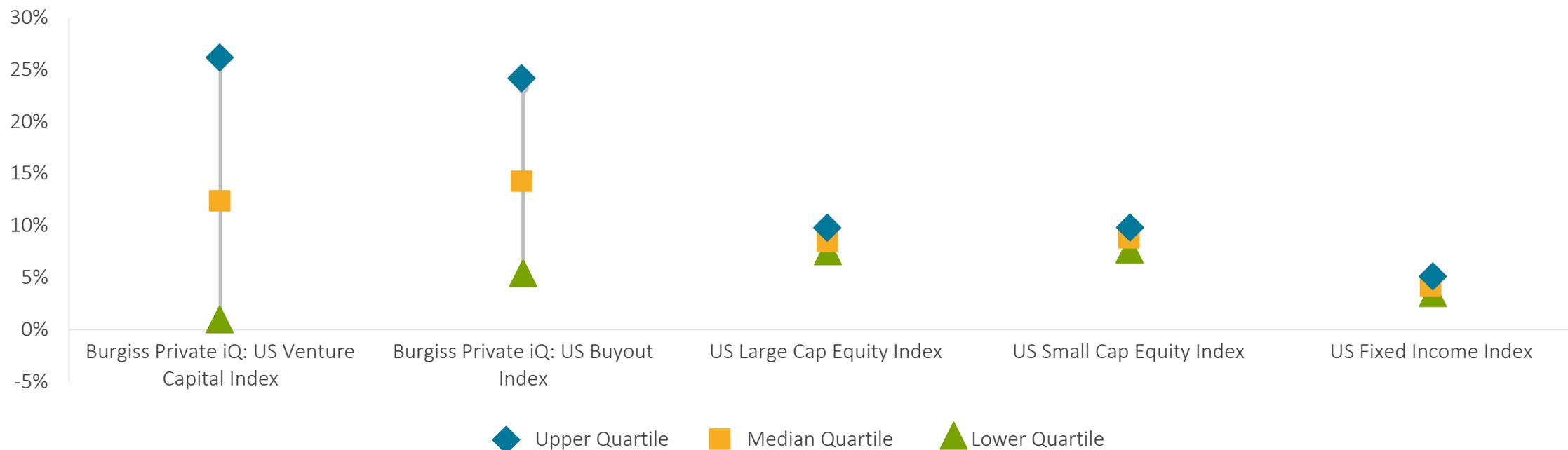
³Represents SSOF IV Program GP-Led deployment adjusted for team spinouts, which do not have prior performance track records.

Access and Selection are Crucial to Venture Capital Performance

Venture capital funds exhibit the widest performance disparity of any asset class, stressing the need for access and meaningful allocation to promising managers

RETURN DISPERSION

15 YEAR RETURN – QUARTILE ANALYSIS (1981-2018)

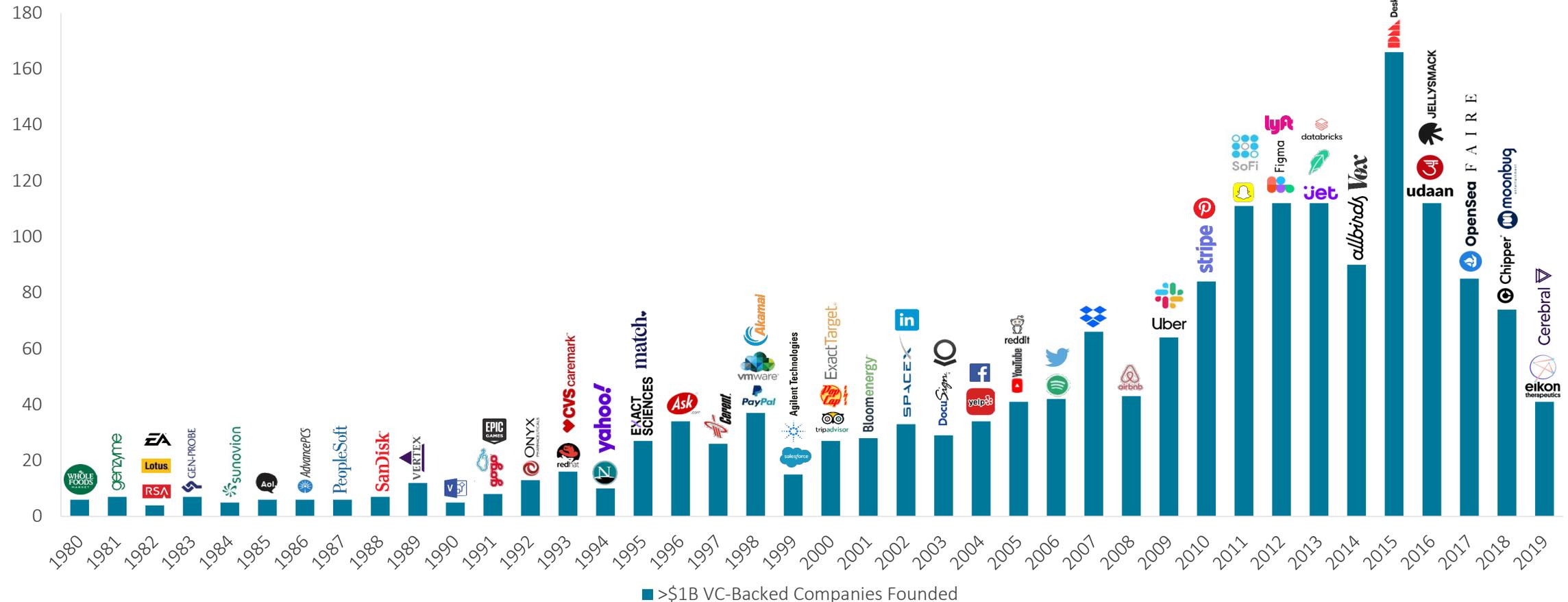


Information is subject to change and is not a guarantee of future results.

Source: Burgiss as of September 30, 2022 for US Funds with vintages from 1981 – 2018. More recent fund vintages are not included above, as they are not in the mature stage of their investment cycle, and their returns would not be meaningful for this analysis. US Large Cap Equity, US Small Cap Equity and US Fixed Income returns are sourced from BNY Mellon as of September 30, 2022.

Great Companies are Created in All Market Cycles

VC-BACKED COMPANIES VALUED OVER \$1B, FOUNDED BY YEAR AS OF FEBRUARY 18, 2022



Source: Pitchbook. Logos represent \$1 billion private and public venture-backed companies based on founding year.

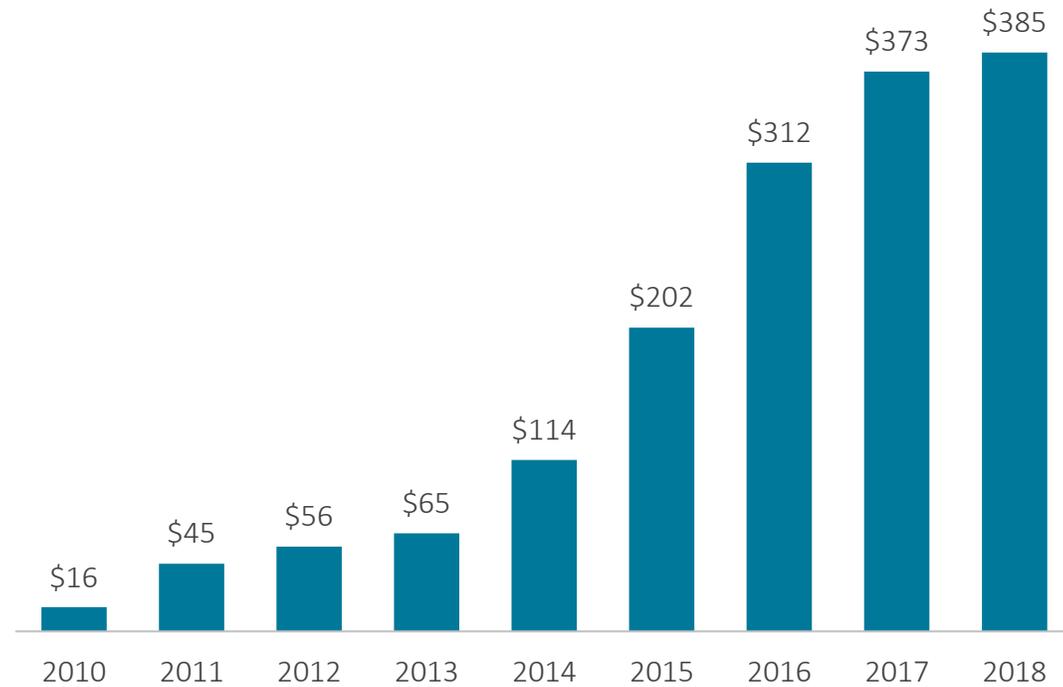
*Index values are adjusted for inflation

VC Investments in the Ground Represent a Large Secondaries Opportunity

There is over \$1.5 trillion of unrealized net asset value in venture funds that are 2018 or older as a result of strong performance, representing a large opportunity for secondary liquidity solutions

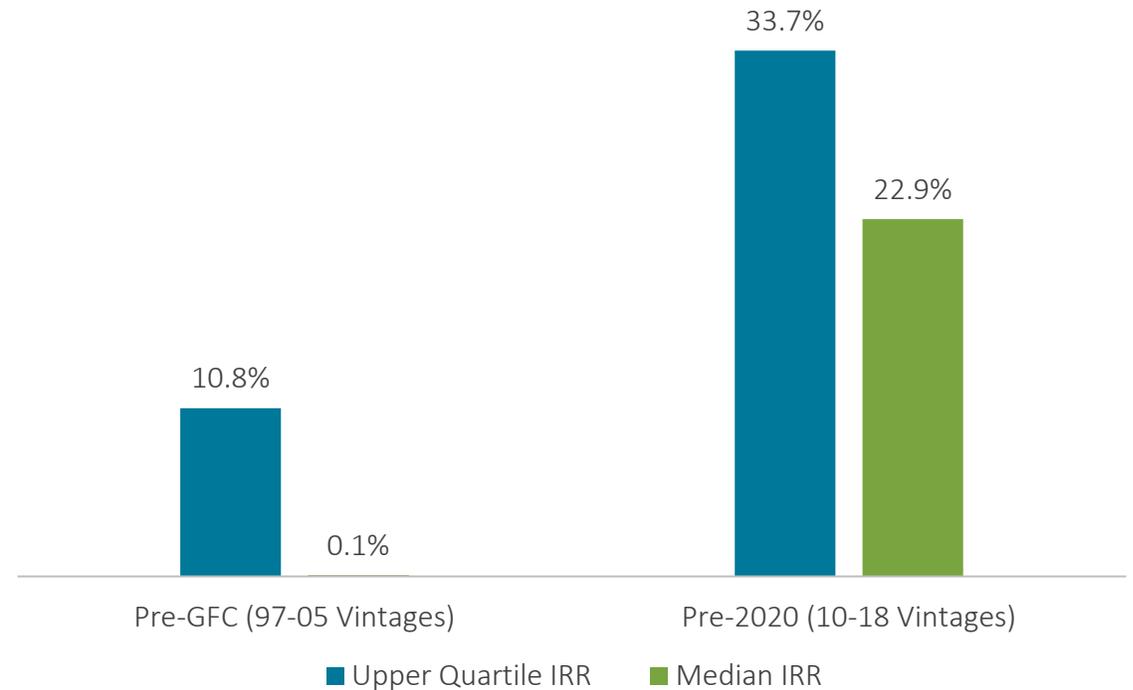
UNREALIZED NAV (\$B)

2018 AND OLDER FUNDS AS OF JUNE 30, 2022



US VC IRRS IN 2008 VS. 2022 (%)

AS OF JUNE 30, 2022

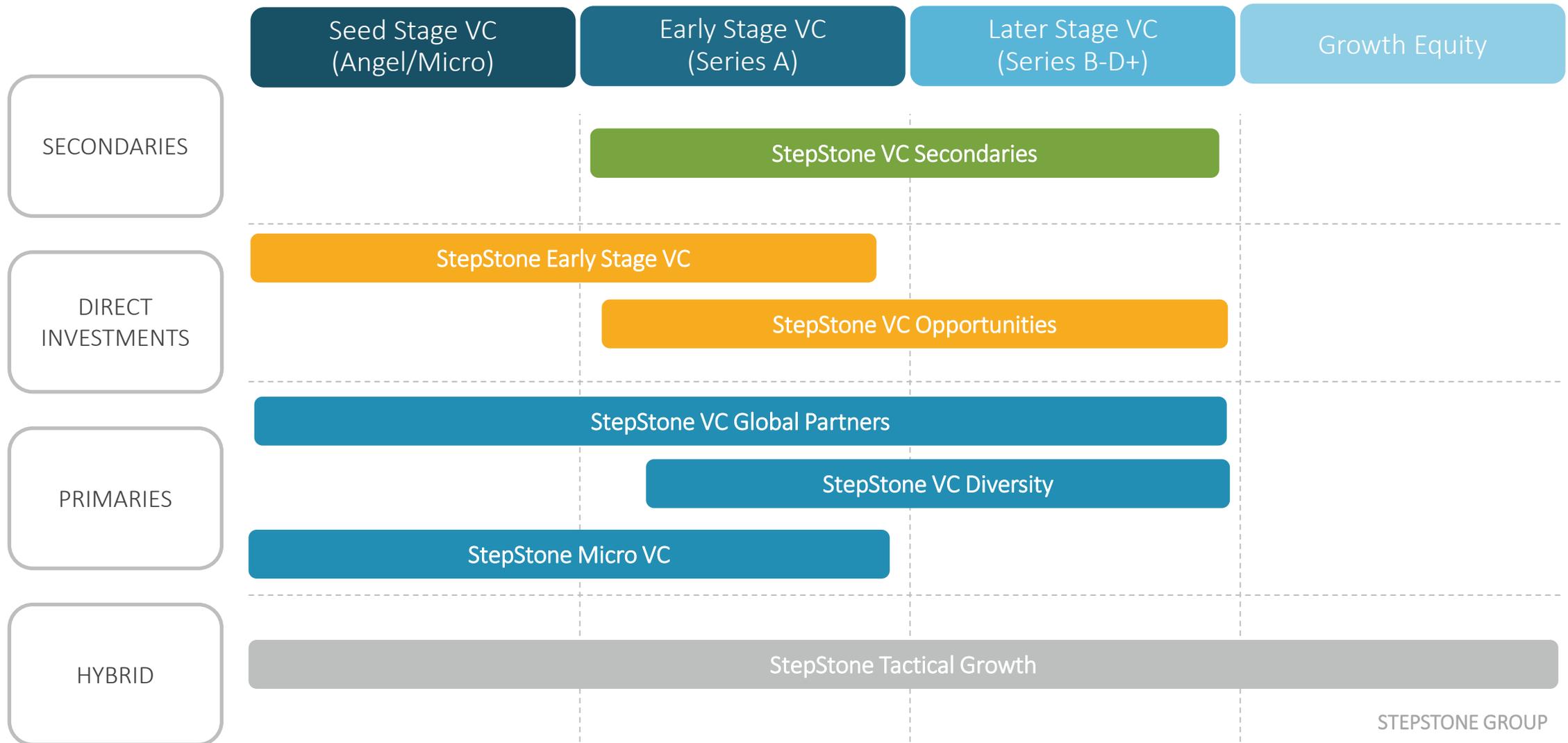


Unrealized NAV (2018 and Older Funds): Preqin
 US VC IRRs in 2009 vs. 2022: Refinitiv.

StepStone Serves as a Partner to LPs, GPs, and Portfolio Companies Across the Venture Life Cycle

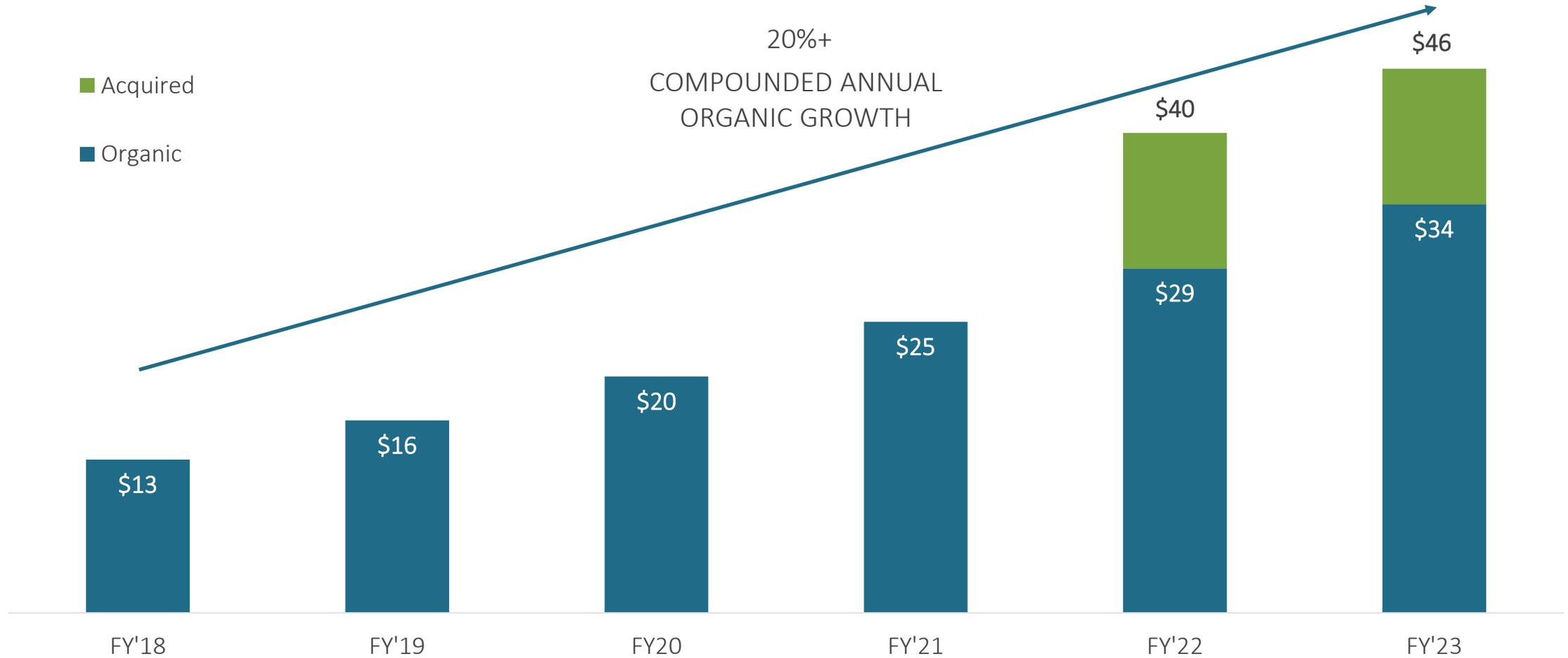


StepStone's platform offers a comprehensive suite of venture capital and growth equity solutions



Private Equity and Venture Capital Fee-Earning AUM Growth

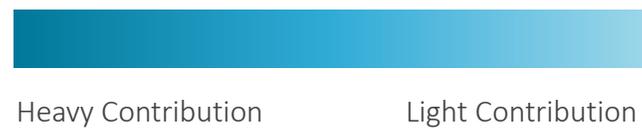
PRIVATE EQUITY FEE-EARNING AUM (\$B)



PE Management and Advisory Fee Mix and Opportunities for Growth

	PRIMARY	SECONDARY	CO-INVESTMENT	MULTI-STRATEGY
ADVISORY	Light Contribution	Not Offered / N/A	Not Offered / N/A	Light Contribution
SEPARATELY MANAGED ACCOUNTS	Light Contribution	Light Contribution	Heavy Contribution	Light Contribution
COMMINGLED FUNDS	Light Contribution	Heavy Contribution	Heavy Contribution	Light Contribution
PRIVATE WEALTH	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Light Contribution

Contribution of Management and Advisory Fees



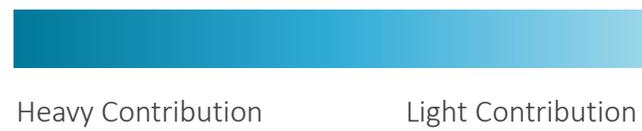
New Growth Opportunity

Not Offered / N/A

VC Management and Advisory Fee Mix and Opportunities for Growth

	PRIMARY	SECONDARY	CO-INVESTMENT	MULTI-STRATEGY
ADVISORY	Not Offered / N/A			
SEPARATELY MANAGED ACCOUNTS	Not Offered / N/A			
COMMINGLED FUNDS	Heavy Contribution	Heavy Contribution	Heavy Contribution	Heavy Contribution
PRIVATE WEALTH	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Light Contribution

Contribution of Management and Advisory Fees



New Growth Opportunity

Not Offered / N/A

MARKET OPPORTUNITY

Largest private markets asset class

Private equity and venture capital typically generate the highest returns in the public or private markets

LPs are looking for assistance navigating a wide array of GPs that offer significant variability of returns, particularly among venture capital managers and small-to-mid market private equity buyout managers

LPs seeking cost effective solutions have limited options to reduce the fee burden across their portfolio

THE STEPSTONE ADVANTAGE

StepStone is among the top global independent allocators to private equity

Experience, information, and access provide StepStone superior advantages in sourcing and executing compelling co-investments, LP-led secondaries, and GP-led secondaries

StepStone has a market leading venture and growth equity platform with the ability to invest across strategy and lifecycle

GROWTH DRIVERS

Continued robust demand for co-investments and secondaries

Synergies with our expanded venture capital team should allow growth in both separately managed accounts and commingled funds

Private wealth represents a major growth opportunity in private equity and venture capital

PRIVATE DEBT



RISK / RETURN

Private debt offers an ideal replacement option for fixed income investors (yield pick-up) and / or public equity investors (better down-side protection)



BENEFITS

Private debt offers an attractive risk-adjusted premium over public debt with reliable cash flow structures

Majority of private debt instruments are structured as floating rate instruments, mitigating interest rate risk

Private borrowers are willing to pay higher spreads given the privacy, reliability and flexibility offered by private lenders



GROWTH

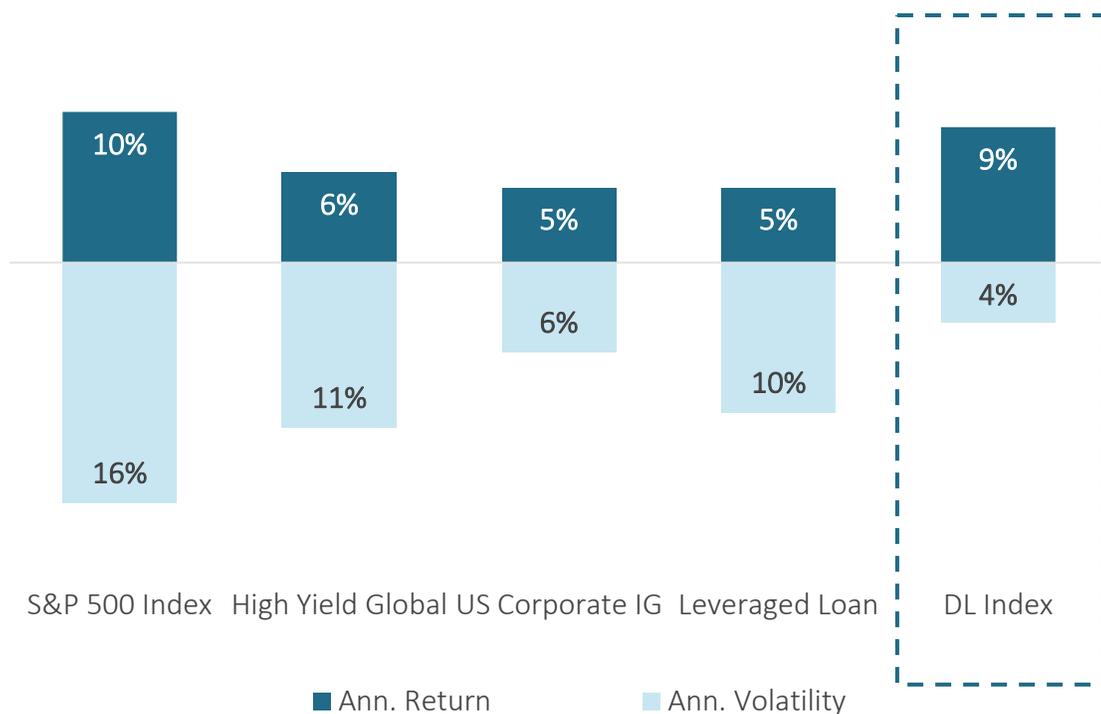
Private debt AUM has grown in the upper teens over the last two decades¹

Private debt has benefited from structural growth since the global financial crisis driven by disintermediation of banks and public markets

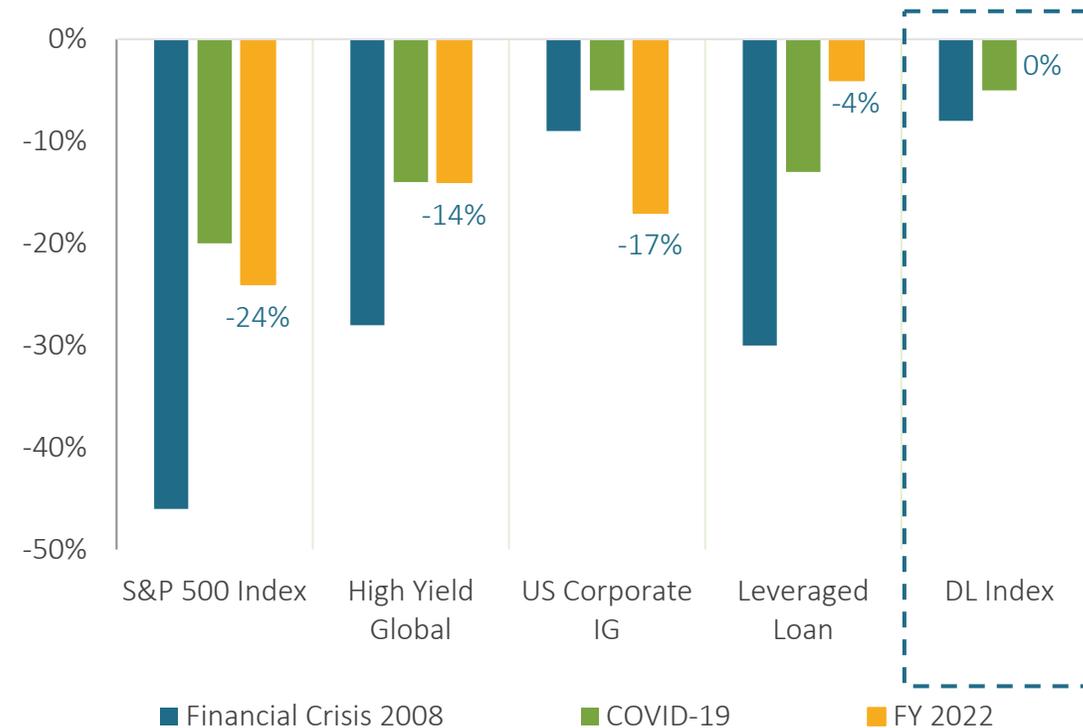
¹Source: Preqin

Risk / Return that Compares Favorably to Public Equivalents

EQUITY-LIKE RETURNS WITH LOWER HISTORICAL VOLATILITY



....AND SMALLER DRAWDOWNS

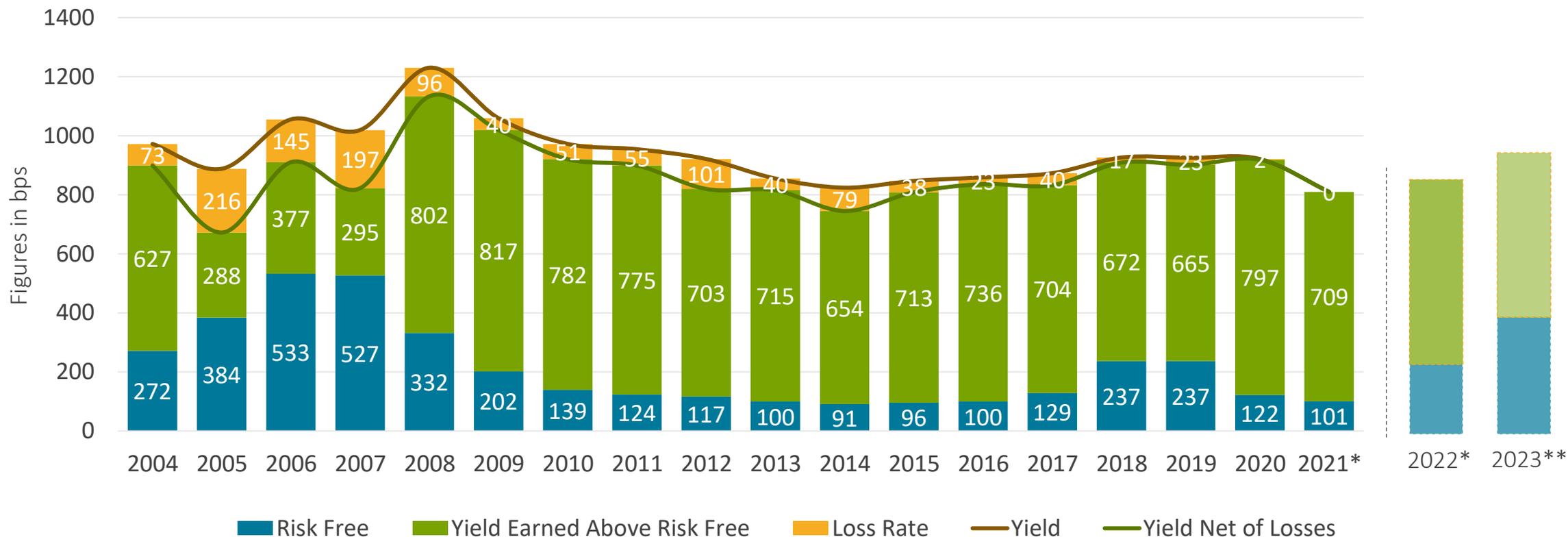


Time period 1/1/05 – 12/31/22

Source: S&P 500 Index, Credit Suisse High Yield Index, Barclays Global IG (January 2015 – December 2021) and S&P US Investment Grade Corporate Bond Index (January 2022 – December 2022), Barclays US Treasury 1-3y & 3-5y average, and Credit Suisse Leverage Loans Index as of December 2022. Cliffwater DL Index (Based on broad Cliffwater Direct Lending Index, which includes 30-50% Junior Debt. Senior Debt is expected to have lower drawdowns) based on estimate data as of December 2022.

Private Debt Offers Consistent Spreads Through the Cycle

RISK-ADJUSTED DIRECT LENDING YIELDS HAVE REMAINED ATTRACTIVE THROUGH THE CYCLE (BPS)



For illustrative purposes only.

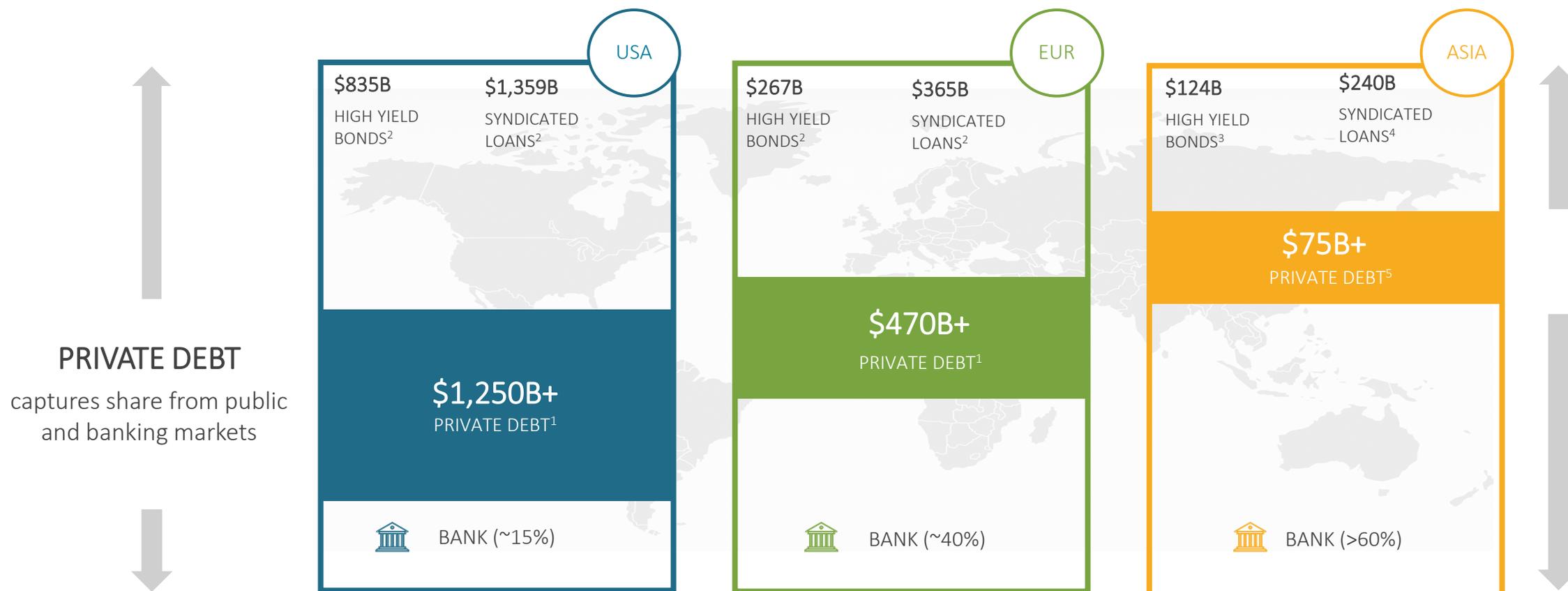
Source: StepStone, Internal Database, US First Lien Deals (more than 13,000 transactions and \$400bn of invested capital). Risk free presents the weighted average of max (LIBOR, LIBOR Floor) of the deals originated within the respective vintages, where the 3-month LIBOR is used as reference rate. Yield includes the cash coupon as well as OID and Arrangement Fees and assumes 3-year expected life. Loss Rates present the annualized vintage loss rates and takes into account any principal loss as well as any interest foregone. One large loss in 2018 was excluded from the analysis since it distorts the analysis.

* Data in 2022 are based on Stepstone platform deals; Loss rate of 2021 is based on the realized loss rate of Stepstone platform deals.

** Data in 2023 reflect current gross spread direct lending first lien. Direct lending first lien based on Refinitiv LPC Sponsored Middle Market Private Deals Analysis

Private Debt is a Large and Growing Addressable Market

Private debt captures share from public and banking markets



1. Total Market Size estimate for Private Debt covers mainly Direct Lending and is based on SSG's observations and calculations, as of Q3 2022. Note: This differs from the Total Addressable Market size as represented by many GPs in the space. 2. Source: Credit Suisse; Data for Europe only includes Western Europe, as of September 2022. 3. Source: Bloomberg Asia High Yield Bond Index, as of September 2022. 4. Source: SSG estimates, as of September 2022. 5. Source: SSG's observations and Preqin market size for Asia Direct Lending, as of September 2022.

StepStone Private Debt at a Glance

StepStone’s private debt practice is among the top global independent allocators of primary capital¹



SIGNIFICANT PRIMARY ALLOCATOR

- Over \$30+ billion of private debt Primary / Co-Investment Account commitments approved in the last three years

EXPERTISE

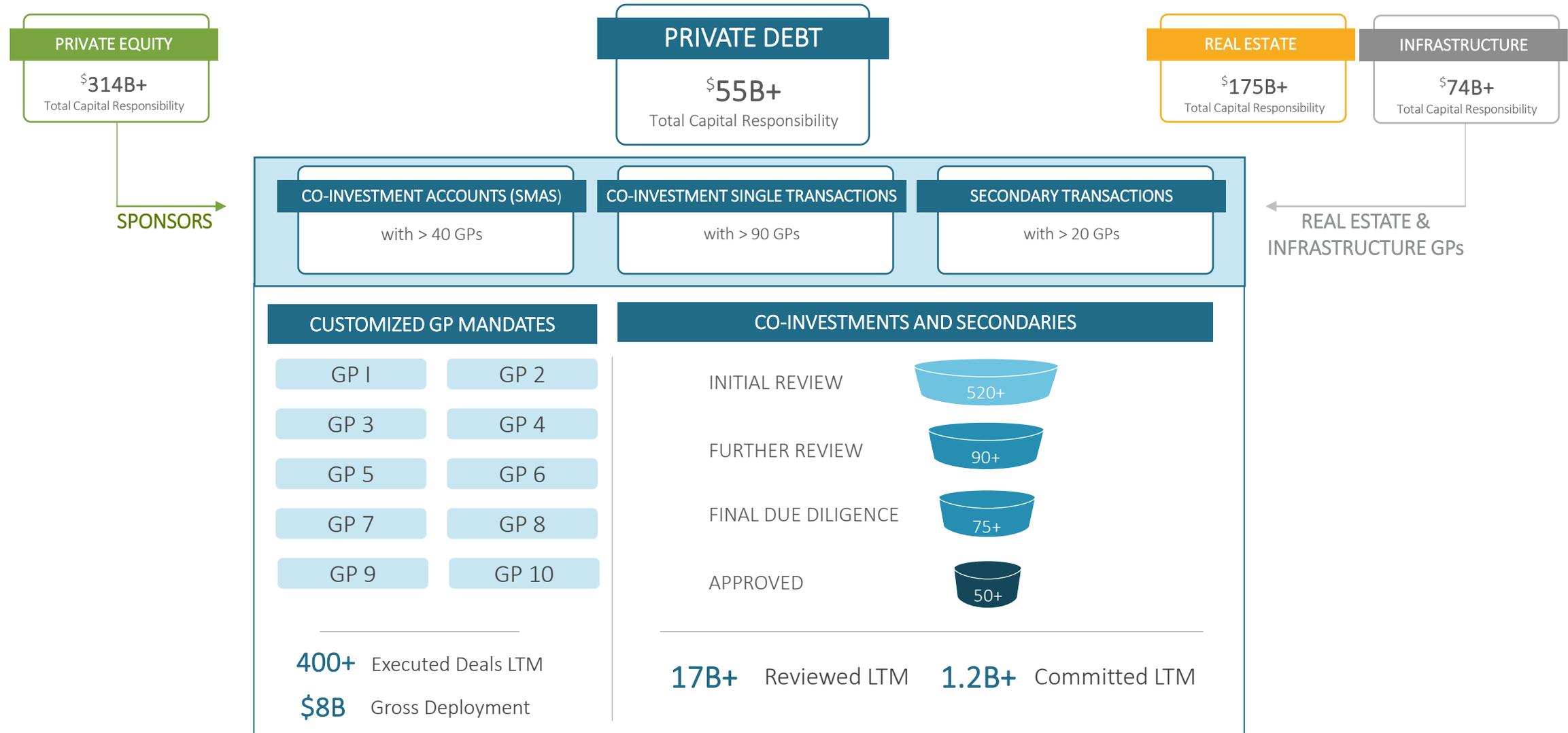
- Customized portfolio construction for institutional clients, especially with insurances, pension plans & endowments
- Senior team experience since 1998 across GPs, direct investors, institutional investors / LPs as well as operating companies

BROAD EXPOSURE ACROSS ASSET CLASS AND CAPITAL STRUCTURE

	PERFORMING		NON-PERFORMING
	Senior	Junior / Mezzanine	
Corporate Debt	←————→		✓
Real Estate Debt	←————→		✓
Infrastructure Debt	←————→		✓
Credit Specialties /Opportunities	←————→		✓

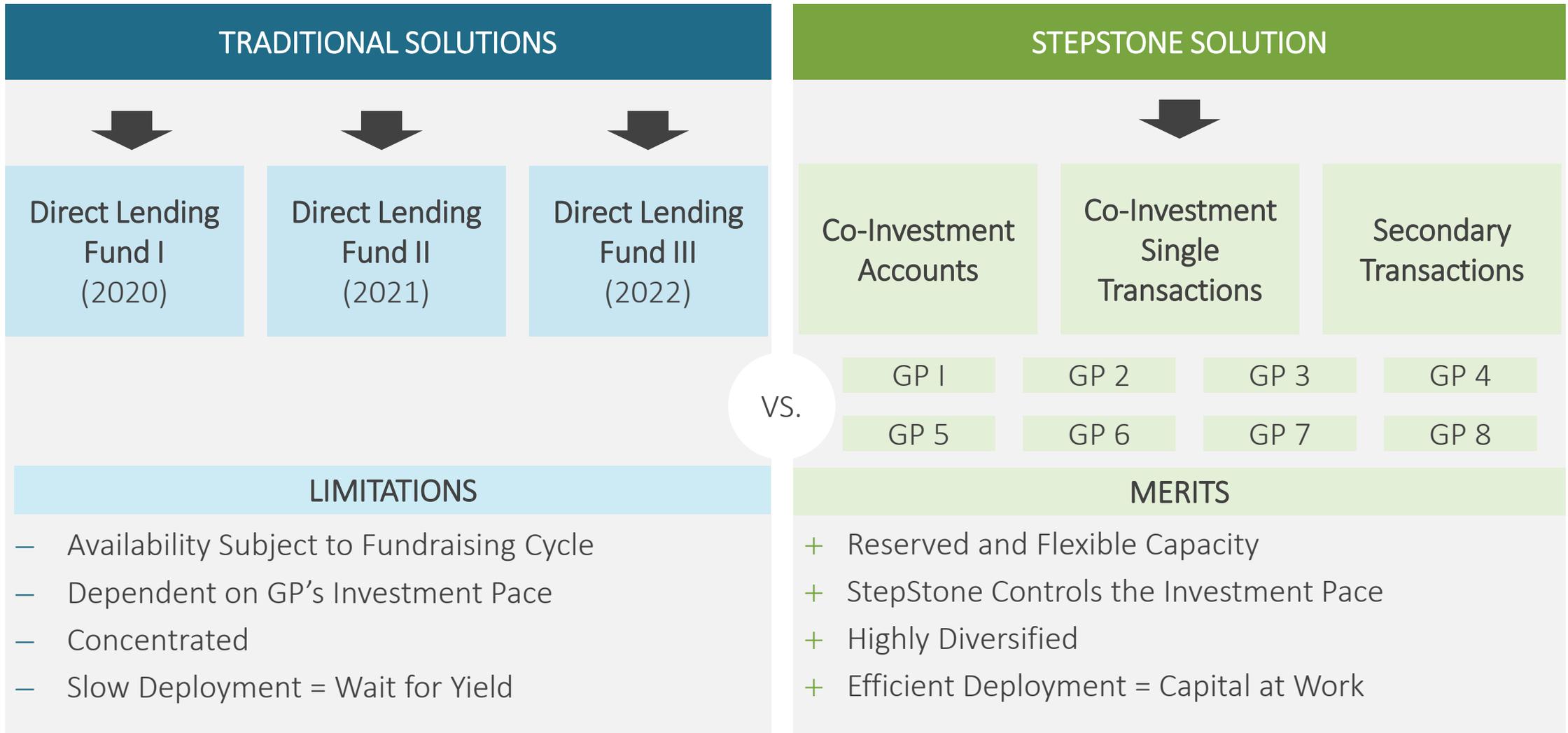
1. StepStone metrics as of 3/31/23

StepStone Private Debt Platform's Broad Sourcing Capabilities



Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA) and is presented as of March 31, 2023. Private Debt includes all asset classes, including Real Estate and Infrastructure debt totaling \$11.6 billion. Co-invest and secondary data LTM as of December 31, 2022. Includes internal secondary transfers.

StepStone's Flexible Structure Allows for More Efficient Deployment



Leading to Stronger Investment Performance

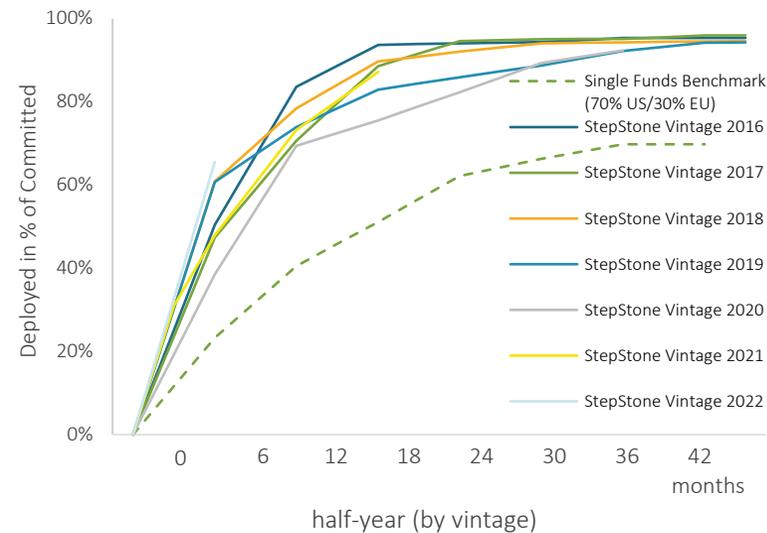
PRIVATE DEBT OPPORTUNITY COSTS



75%+

deployed **within 12 months**

INVESTMENT EFFICIENCY



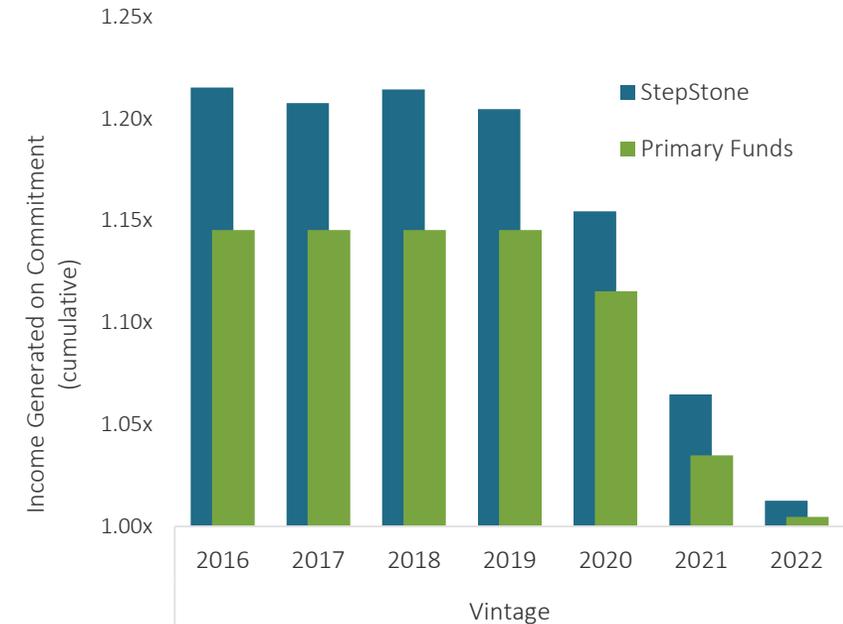
35%+

more capital deployed **in the first 3 years** compared to primary funds

85%+

more money earned on average **after 1 year**

MORE DOLLARS EARNED



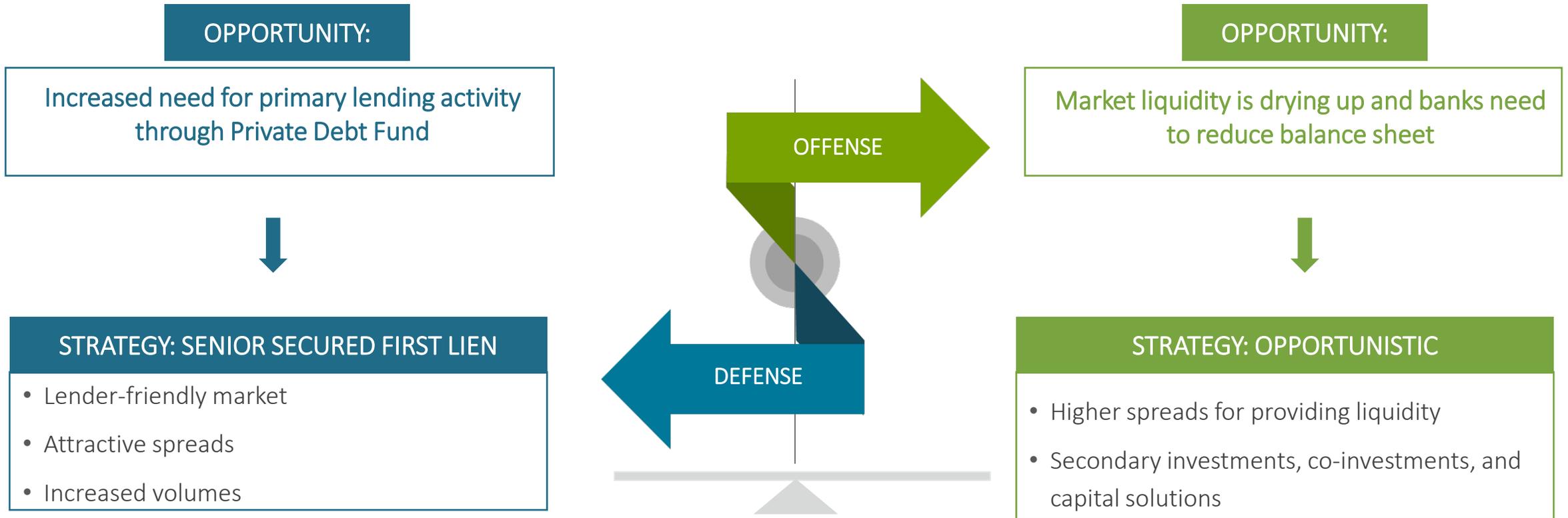
35%+

more money earned on average **after 3.5 years**

Source: StepStone as of Q1 2023 and Preqin 2023

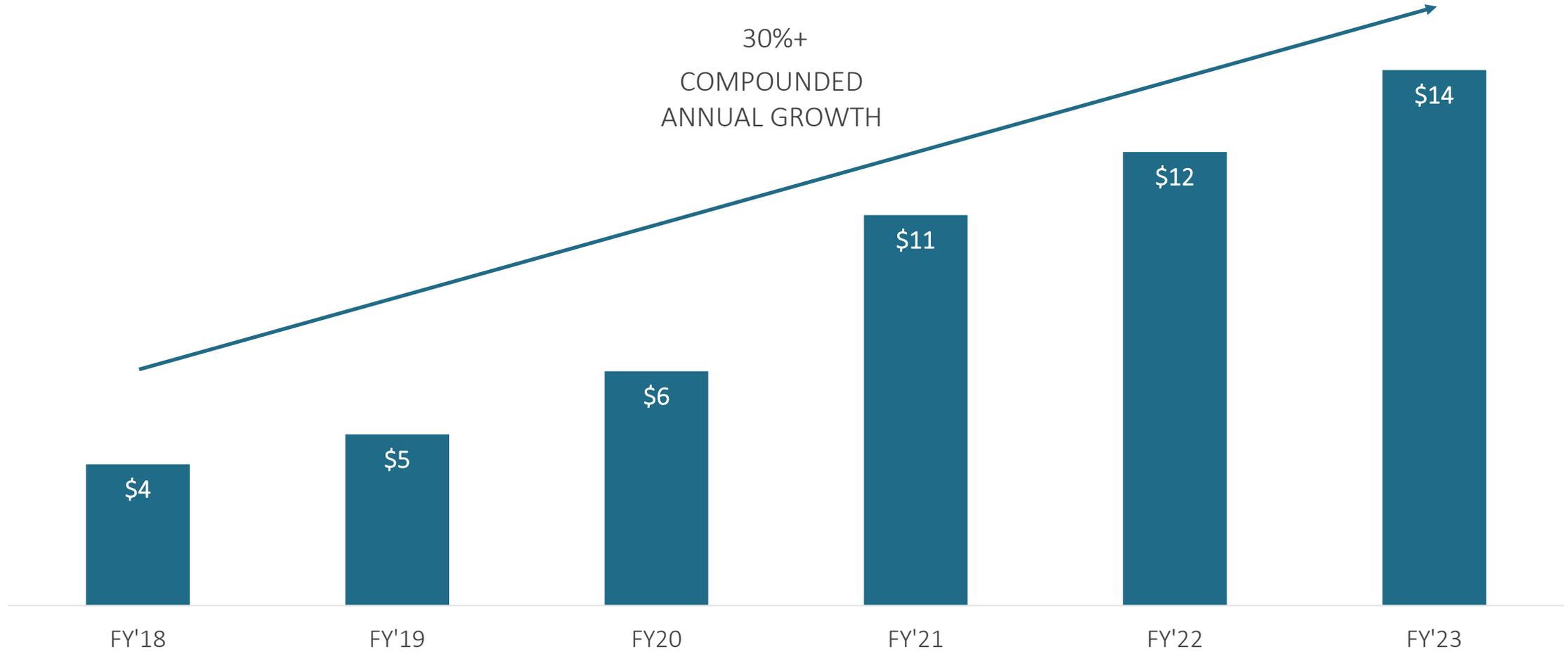
Past performance is not necessarily indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

StepStone has Versatility to Execute Defense and Offense



Private Debt Fee-Earning AUM Growth

PRIVATE DEBT FEE-EARNING AUM (\$B)



Private Debt Management and Advisory Fee Mix and Opportunities for Growth

	PRIMARY	SECONDARY	CO-INVESTMENT	MULTI-STRATEGY
ADVISORY	Light Contribution	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A
SEPARATELY MANAGED ACCOUNTS	Not Offered / N/A	Light Contribution	Light Contribution	Heavy Contribution
COMMINGLED FUNDS	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Heavy Contribution
PRIVATE WEALTH	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Light Contribution

Contribution of Management and Advisory Fees



MARKET OPPORTUNITY

Private debt offers an ideal replacement option for fixed income investors (yield pick-up with no duration risk) and / or public equity investors (better down-side protection)

The addressable market is large, and private debt is capturing share from the public bond market and from banks

THE STEPSTONE ADVANTAGE

StepStone is one of the largest allocators in private debt and has one of the largest and most experienced teams in the market

StepStone's broad sourcing capabilities and flexible structure enable efficient and diversified capital deployment leading to superior multiples on committed capital and strong risk adjusted performance

StepStone provides LPs access through both commingled funds and highly customized solutions

GROWTH DRIVERS

StepStone's differentiated offering in an expanding asset class should contribute to robust firm-wide earnings growth

REAL ESTATE



RISK / RETURN

Strategies available across the risk return spectrum from debt to equity

Low correlation to stocks

Relatively low volatility and attractive Sharpe ratios vs stocks

Similar volatility to bonds with higher returns

Secondaries can deliver core plus (lower) risk with value-add / opportunistic (higher) returns



BENEFITS

Large asset class

Current income

Inflation protection

Diversification

Inefficient market creates alpha opportunity



GROWTH

Rise in interest rates causing market dislocation

Attractive conditions for debt, secondaries, recapitalizations and distressed investments

Generational changes to the way space is used caused by social, behavioral, and technological changes create opportunities

StepStone Real Estate at a Glance



SIGNIFICANT PRIMARY ALLOCATOR

\$18 billion allocated to real estate funds in 2022

\$2 billion allocated to GP-led secondaries and co-investments in 2022

900+ Meetings with GPs in 2022



PROACTIVE SOURCING

More than \$325 billion secondaries and co-investments sourced / \$5 billion executed (2%)

Differentiated off-market deal-flow: 71% of SRE secondaries investments non-brokered vs 29% of overall market

Secondaries and co-investment sourcing from manager meetings



EXPERTISE

Partners average over 22 years of experience

Pioneers in RE secondaries (2005) and GP-led secondaries (2009)

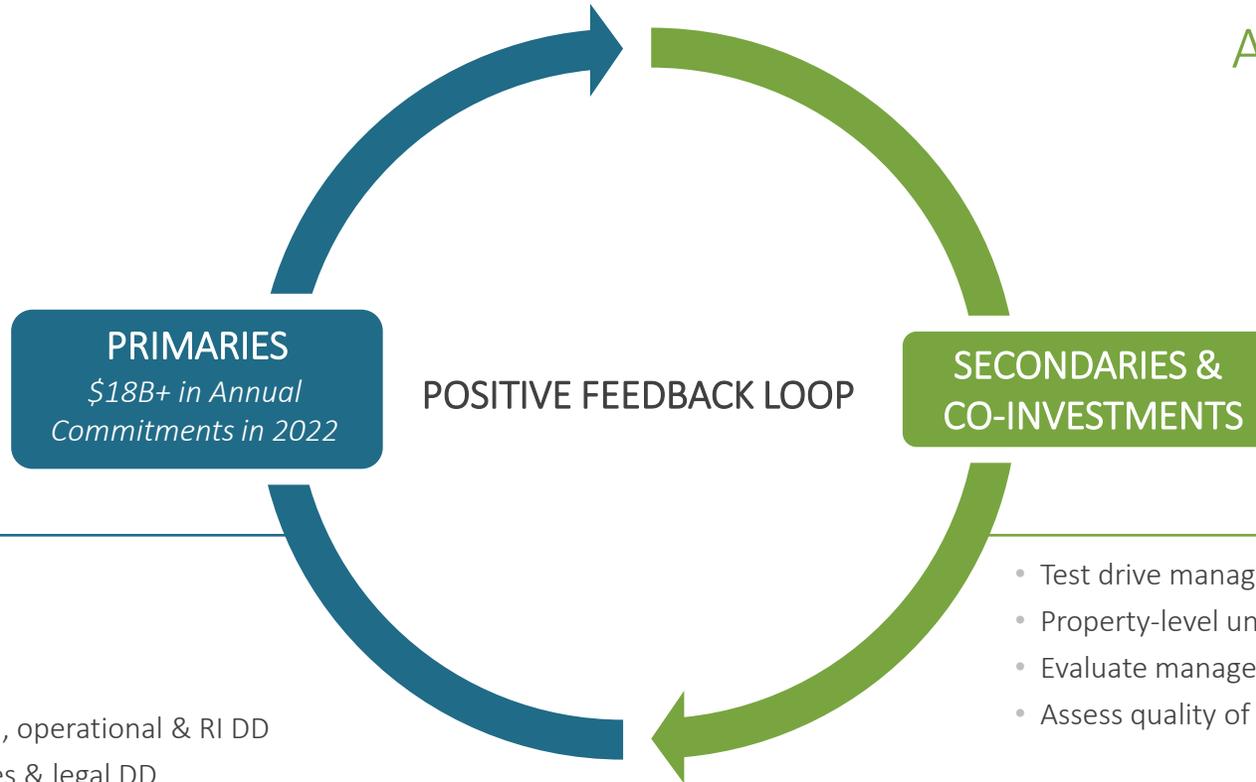
Direct investment and advisory/consulting backgrounds / expertise

Market research driven

Primaries, Secondaries, and Co-investments Work in Concert

MARKET RESEARCH

ACTIVE INVESTMENTS



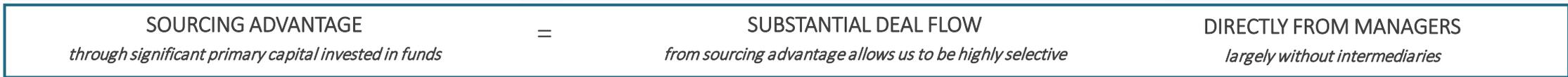
- Test drive manager
- Deal sourcing
- Information access
- Manager track record, operational & RI DD
- Fund terms, structures & legal DD

- Test drive manager
- Property-level underwriting
- Evaluate manager's risk analysis and deal execution
- Assess quality of investment team members

FUND INVESTMENTS

TECHNOLOGY

StepStone Real Estate's Sourcing Advantage



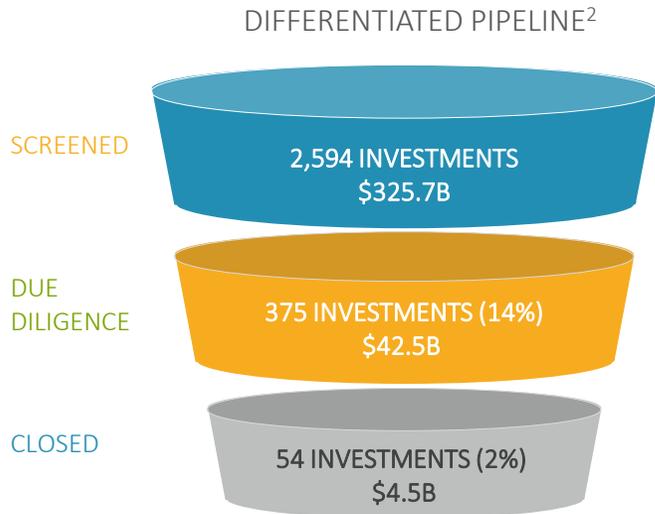
755
fund investments approved for advisory clients since 2000¹

\$159B+
of client capital advised

\$18B+
fund investments in 2022*

65+ fund investments*

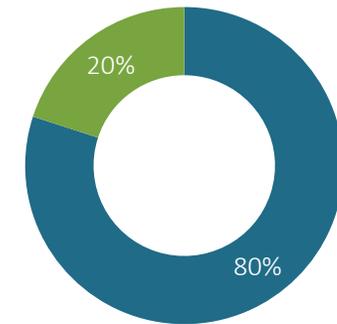
900+ manager meetings



KPI Team	Monthly Co-Invests Discussed/ Meetings	Monthly Secondaries Discussed/ Meetings
SRE: US/Global Large Opp/Value-Add	11/17 (65%)	6/17 (35%)
SRE: US Med & Small Opp/Value-Add	6/10 (60%)	1/10 (10%)
SRE: US Core/Core+	5/11 (45%)	2/11 (18%)
SRE: US Credit	3/10 (30%)	2/10 (20%)
SRE: Europe Opp/Value-Add	1/6 (17%)	1/6 (17%)
SRE: Europe Core/Core+	1/9 (11%)	2/9 (22%)
SRE: Europe Credit	0/0	0/0
SRE: Asia	5/8 (63%)	5/8 (63%)
SRE: Latin America	1/1 (100%)	0/1 (0%)
>>> Real Estate Sub-Total <<<	33/72 (46%)	19/72 (26%)

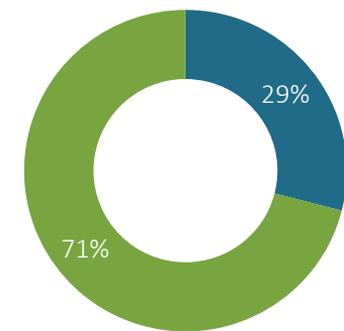
As of April 2023

SRE SECONDARIES INVESTMENTS^{3*}



*26% Sourced From Manager Advisory Meetings

OVERALL SECONDARIES MARKET



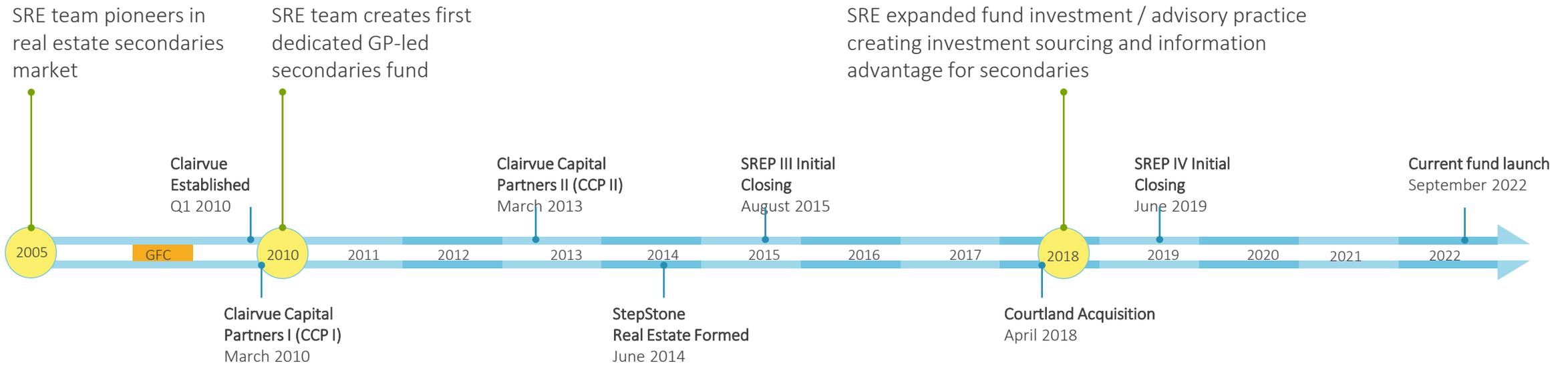
■ Direct ■ Intermediary

*includes project-based client recommendations and real estate credit

Past investment activities of the SRE team at Clairvue or at SRE can provide no assurance of future success. It should not be assumed that SREP V will have access to a similarly sized pipeline or that any investments will be comparable in quality, diversity or performance. Data as of September 30, 2022.

1. Figures include investments made by Courtland prior to acquisition by SRE.
2. Represents all Secondaries and Co-investment investments reviewed by SRE from 2019 through YE 2022.
3. Represents all Secondaries investments from 2015 through Q3 2022.

SRE's Role in the Evolution of Secondaries



PIONEERS (PRE-2006)

- Before 2006, transaction volume was below \$500M per year; era dominated by Liquid Realty (the predecessor to the StepStone real estate team) and select peers

EARLY DEVELOPMENT (2006-2013)

- SRE team combined direct and secondaries experience to pioneer recaps and other forms of GP-led transactions
- GFC catalyzed real estate secondaries market by introducing LPs to the concept of using secondaries as a portfolio management tool
- High-growth in transaction volume as real estate secondaries benefit from tailwinds of GFC recovery

HIGH GROWTH (2014-PRESENT)

- New secondaries market entrants emerge as transaction volume expands
- GP-led secondaries become growing fixture of real estate market

Growing Real Estate Secondaries Market With Plenty of Runway

While real estate is nearly 2x the size of the private equity market, the real estate secondary market is a fraction of the size of the PE secondary market

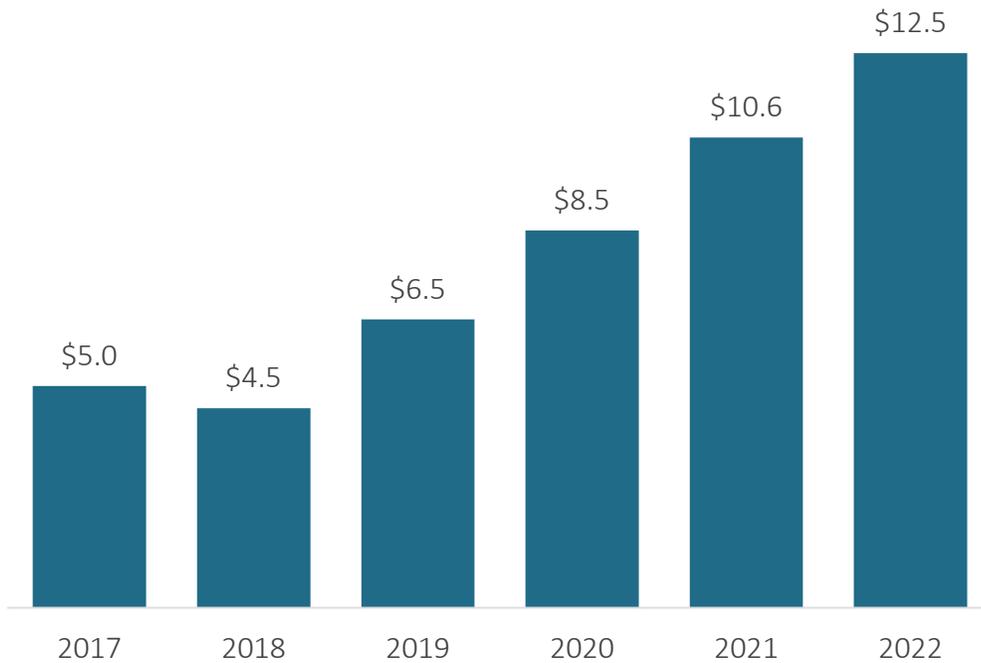


1. MSCI; Prudential views this figure as the invested universe and calculates an investible universe at \$31 trillion using top-down methods. 2. As of Q4 2021. Data for closed-ended funds is sourced from Preqin Pro. As of Q4 2021. Data for open-ended funds is aggregated from NFI-Open-End Index, Europe INREV and Asia ANREV Index and SSG database. RE fund capitalization is comprised of \$0.7tn of open-ended funds and \$1.4tn of close ended funds. 3. Preqin. 4. Secondaries transactions volume refers to amount traded in 2021. 5 Jefferies as of April 2023. 6 Jefferies Global Secondary Market Review, as of January 2023

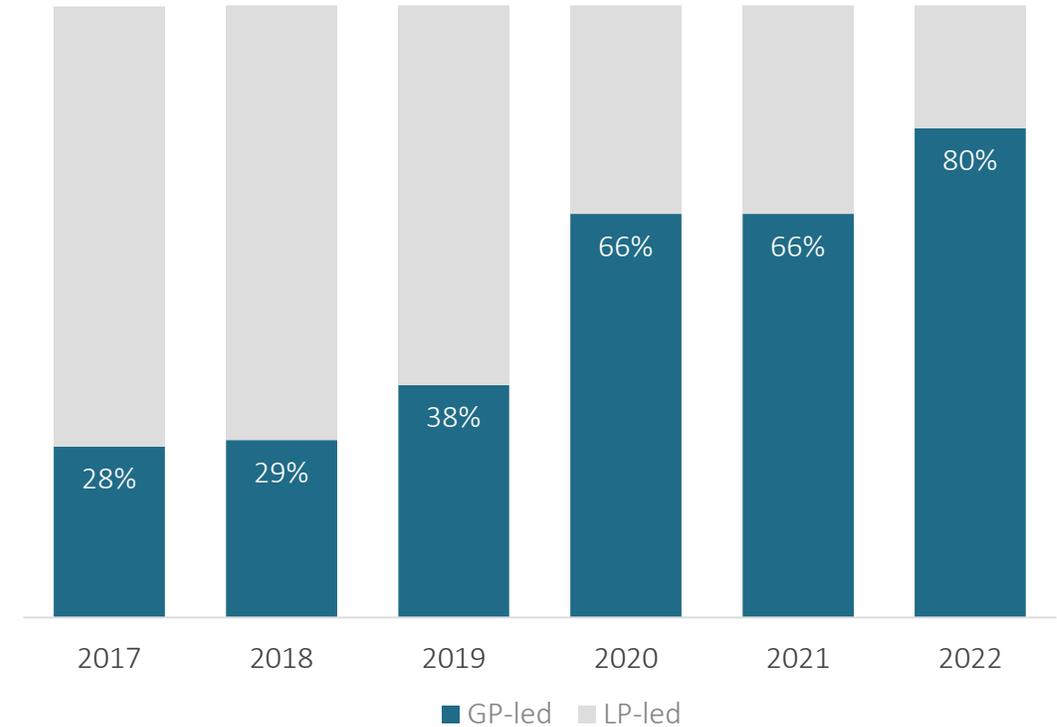
Both LP and GP Secondaries Volumes Poised to Rise

LP secondaries help with denominator effect; GP secondaries address funding gap

GLOBAL REAL ESTATE SECONDARIES VOLUME (\$B)

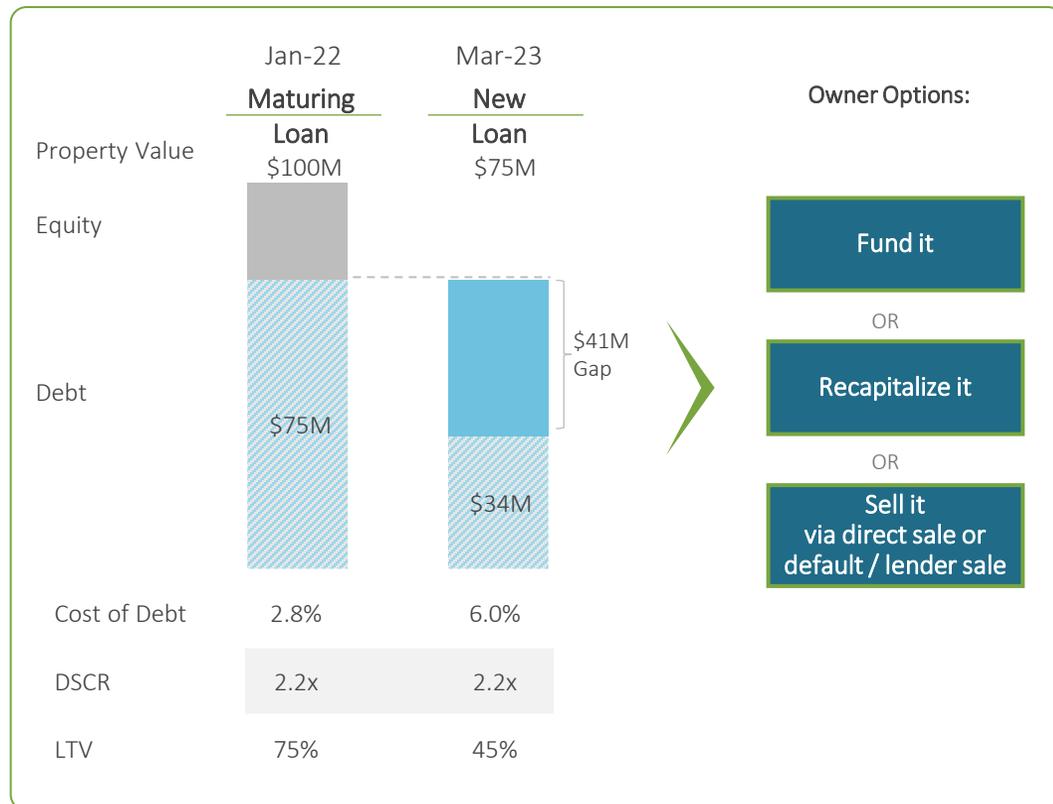


SHARE OF REAL ESTATE SECONDARIES VOLUME BY TYPE (% OF GLOBAL VOLUME)

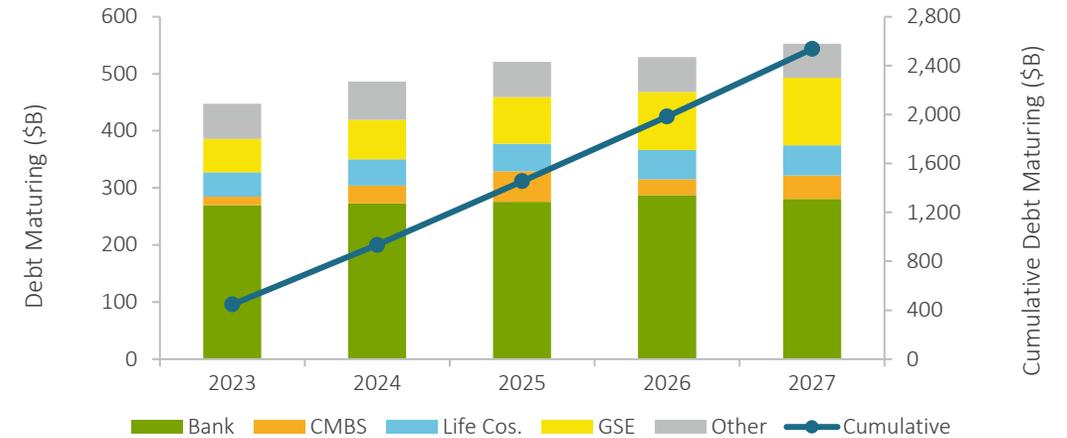


Source: Jeffries LLC, April 2023.

Higher Rates Drive Opportunities for Recapitalizations

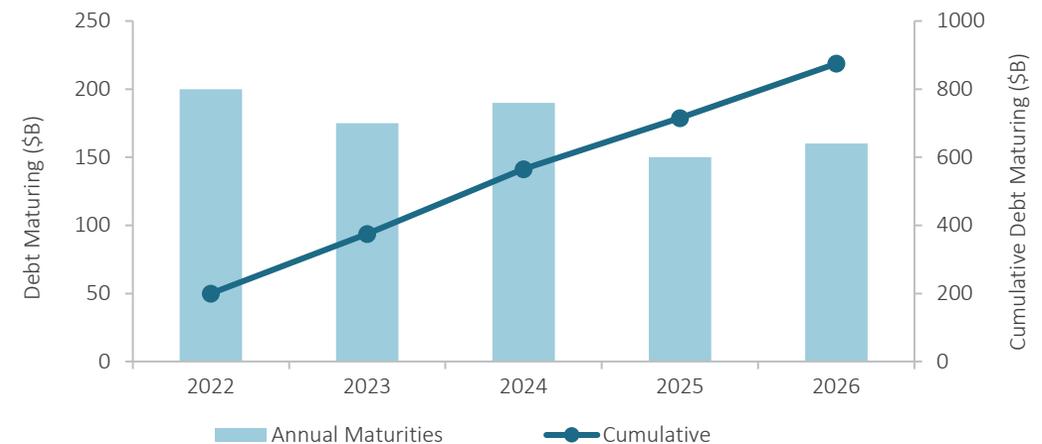


US COMMERCIAL MORTGAGE MATURITIES (\$B)



Source: Trepp The Year-End 2022 data as of Q3 2022; March 2023.

COMMERCIAL MORTGAGE MATURITIES – UK, GERMANY, & FRANCE (\$B)

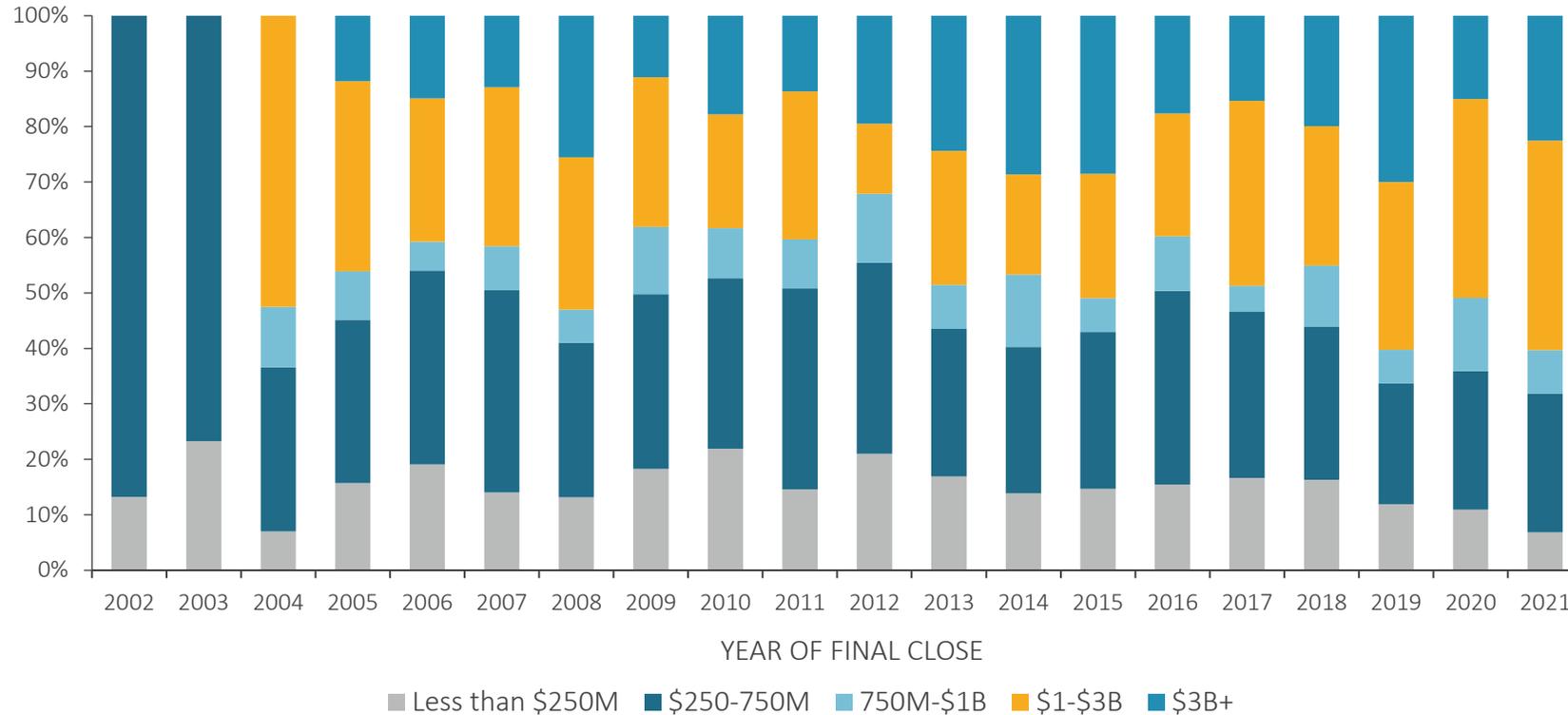


Source: PGIM data as of November 2022; March 2023.

Sources: StepStone data, Federal Reserve, Bloomberg, March 2023.
 Figures reflect hypothetical stabilized multifamily asset with 10-year fixed rate debt.

Post-GFC, Shift of Capital Toward Larger Funds Drives Recap Opportunities

PROPORTION OF AGGREGATE CAPITAL RAISED BY FUND SIZE



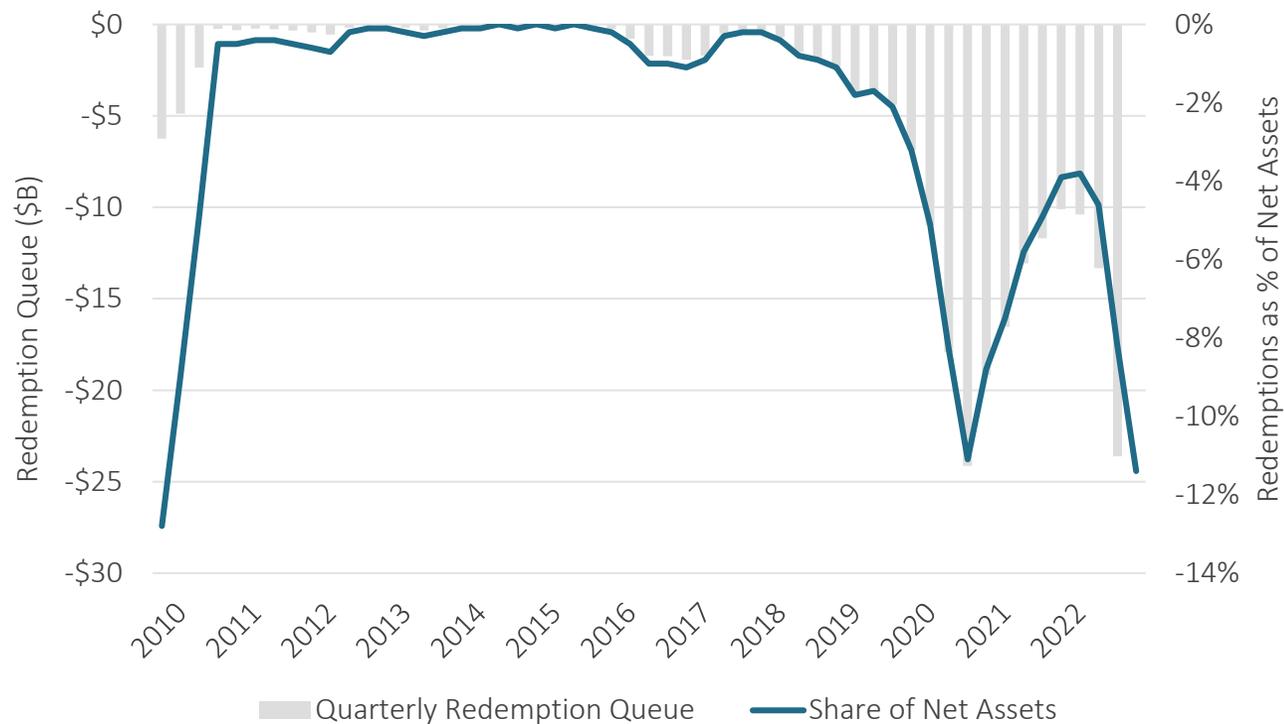
THE TOP 10 MANAGERS NOW ACCOUNT FOR 33.2% OF TOTAL REAL ESTATE AUM

Source: Preqin data as of March 2022 and StepStone analysis; IREI 2021. "GFC" refers to the global financial crisis of 2008-2010.

There is a Significant Pipeline of LPs Seeking Liquidity

Until the denominator effect resolves, investors seek liquidity from open-ended funds

NCREIF ODCE FUND REDEMPTION QUEUES (\$B)



Redemption queues are similar across managers

Queues indicative of potential sales volume in closed-end funds

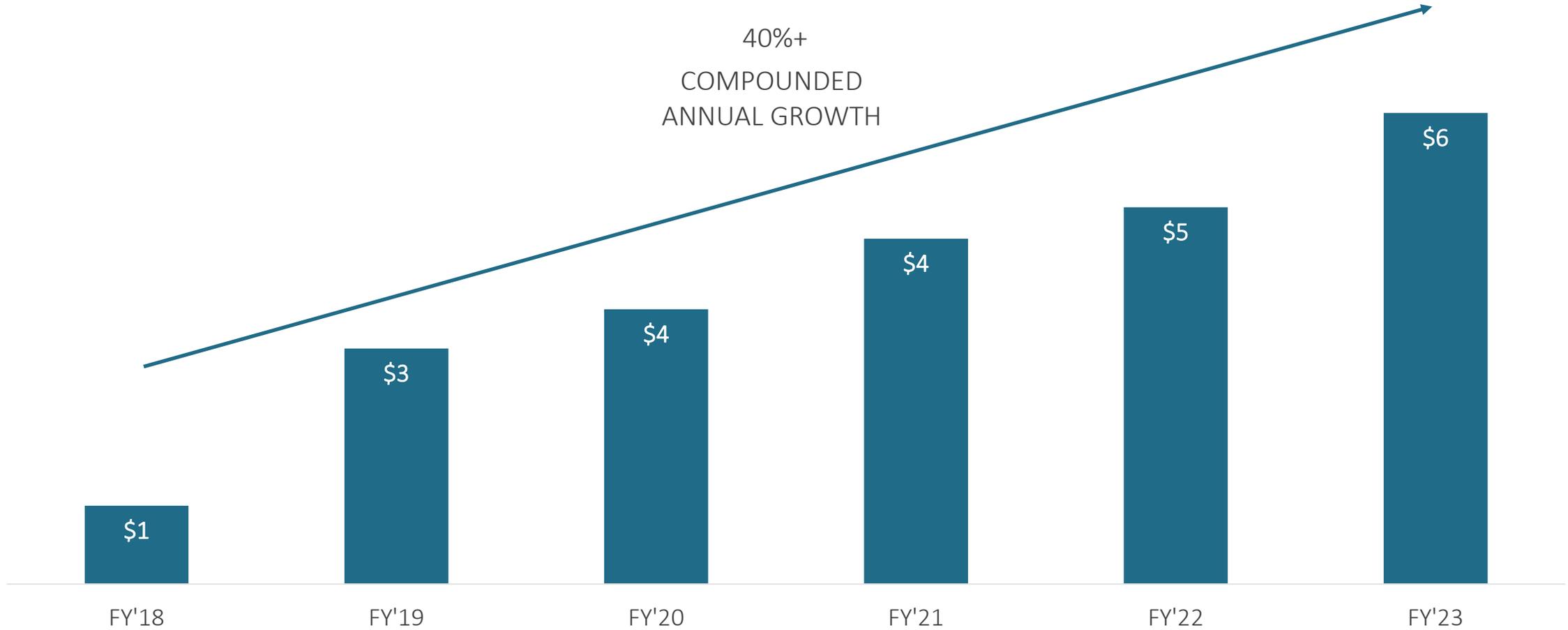
Reported NAVs are slow to change

Repricing can resolve the denominator effect

Source: StepStone Real Estate Manager survey data as of Q4 2022, March 2023.

Real Estate Fee-Earning AUM Growth

REAL ESTATE FEE-EARNING AUM (\$B)



Real Estate Management and Advisory Fee Mix and Opportunities for Growth

	PRIMARY	SECONDARY	CO-INVESTMENT	MULTI-STRATEGY
ADVISORY	Light Contribution	Not Offered / N/A	Not Offered / N/A	Light Contribution
SEPARATELY MANAGED ACCOUNTS	Not Offered / N/A	Light Contribution	Heavy Contribution	Light Contribution
COMMINGLED FUNDS	Not Offered / N/A	Heavy Contribution	Not Offered / N/A	Not Offered / N/A
PRIVATE WEALTH	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Light Contribution

Contribution of Management and Advisory Fees



 New Growth Opportunity

 Not Offered / N/A

MARKET OPPORTUNITY

Real estate is a large asset class offering compelling return, yield, and diversification benefits

Rising interest rates are spurring market dislocations leading to compelling investment opportunities

We are entering an attractive point in the economic cycle for secondary volumes driven by LP and GP liquidity needs

THE STEPSTONE ADVANTAGE

StepStone is a pioneer in real estate GP-led secondaries and recapitalizations

StepStone's experience and scale in real estate drives differentiated investment opportunities across strategies

StepStone's significant real estate fund investment practice makes us the partner of choice for GPs and drives substantial deal flow and information access for our secondaries and co-investment practices

GROWTH DRIVERS

StepStone's breadth of solutions across real estate products, markets, capital structures, and strategies allows for growth across economic cycles

Rising interest rates coupled with significant volume of debt maturities provides unique opportunities for recapitalizations. StepStone's flagship GP led secondaries fund, is well positioned to benefit from this trend.

INFRASTRUCTURE



RISK / RETURN

Potential to invest across risk / return spectrum – Core through Value-add

Potential for strong returns as allocations increase and sector matures



BENEFITS

Potential downside protection due to defensive characteristics

Inherent inflation protection through revenue and / or market structures

Stable and predictable yield

Reduced volatility and low correlation to public markets



GROWTH

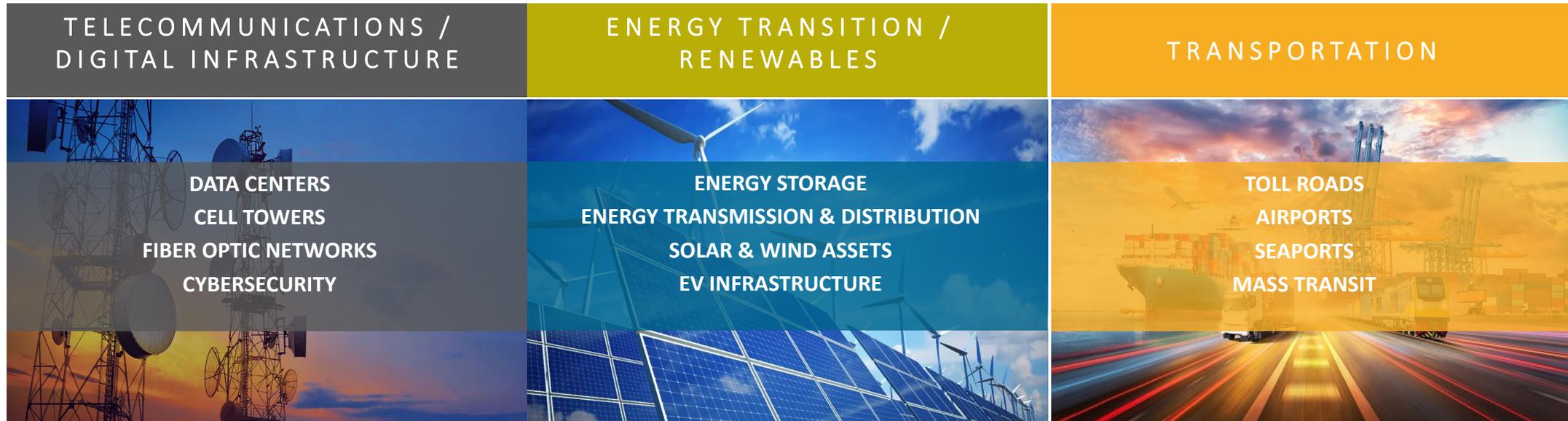
Fastest growing asset class over the last two decades with annualized growth of AUM of more than 30%¹

Increasing investor allocations driven by maturation of the sector

Infrastructure needs of society are constantly evolving, leading to significant capital requirement and opportunity for attractive returns

¹Source: Preqin

Significant Investment Need Driven by Major Global Themes



\$7.8 trillion of investments in telecommunications will be needed through 2040 in order to continue investing in line with current trends¹

\$6.9 trillion of investment will be required each year until 2050 to achieve the goal of “net-zero” carbon emissions²

\$4.5 trillion of investments will be needed in public transport infrastructure by 2030 to meet growing demand, provide sustainable transport options and upgrade the public transit systems²

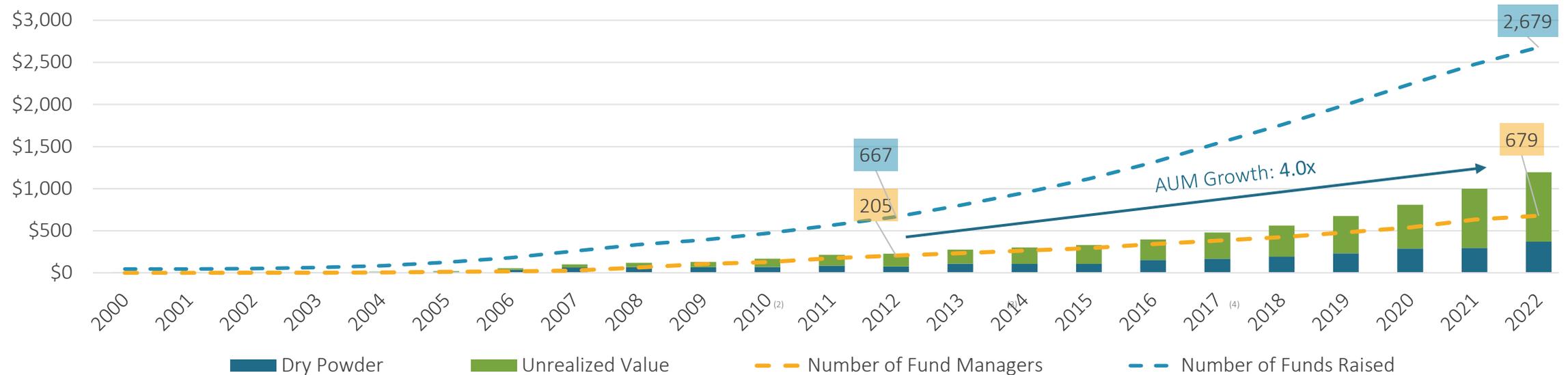
¹Global Infrastructure Hub, 2023. <https://outlook.gihub.org/sectors/telecommunication>

²The Organization for Economic Co-operation and Development (OECD). Financing Climate Futures, Rethinking Infrastructure.

Infrastructure Sector Growth Brings Scale and Complexity

LPs need assistance navigating the infrastructure landscape

INFRASTRUCTURE MARKET GROWTH (\$B)



Increased attraction to infrastructure in early 2000s, but over leveraged structures impacted GP market during the GFC

Significant growth in capital allocations following the financial crisis – initially led by Australia and Canada, and now growing globally

Significant increase in number and scope of infrastructure funds in the market: over 220 funds currently in the market seeking over \$400B of capital

Source: Preqin Data, SIRA analysis as of May 10, 2023

Note(s): (1) Preqin, Preqin Global Report 2023:Infrastructure. Utilizes Preqin’s forecasted CAGR of 13.31% from 2021 to FY2027F but amends the latest data available for September 2022, which matches the total of US\$1,197B for 2022. Implied CAGR from September 2022 to FY2027 AUM is 9.68%. (3) Includes independent firms only; does not include other firms such as government, corporate, or bank. (4) Includes commingled infrastructure funds only.

StepStone Infrastructure at a Glance



EXPERTISE

Close-knit, experienced team of significant scale and global presence

Breadth of experience as GPs, direct investors, institutional investors / LPs, and operators

15 Partners and Senior Managing Directors with approximately 20 years of average investment experience



SIGNIFICANT ALLOCATOR

Over **\$50 billion** of Infrastructure primary commitments approved across **almost 200 funds** since 2014¹

Annual deployment now in excess of **\$15 billion** across **primaries, secondaries and co-investments**

Proactive calling and outreach effort with GPs - **Over 950 GP** meetings in last twelve months



INVESTMENT EXCELLENCE

Global coverage and access enables **highly selective investment process**

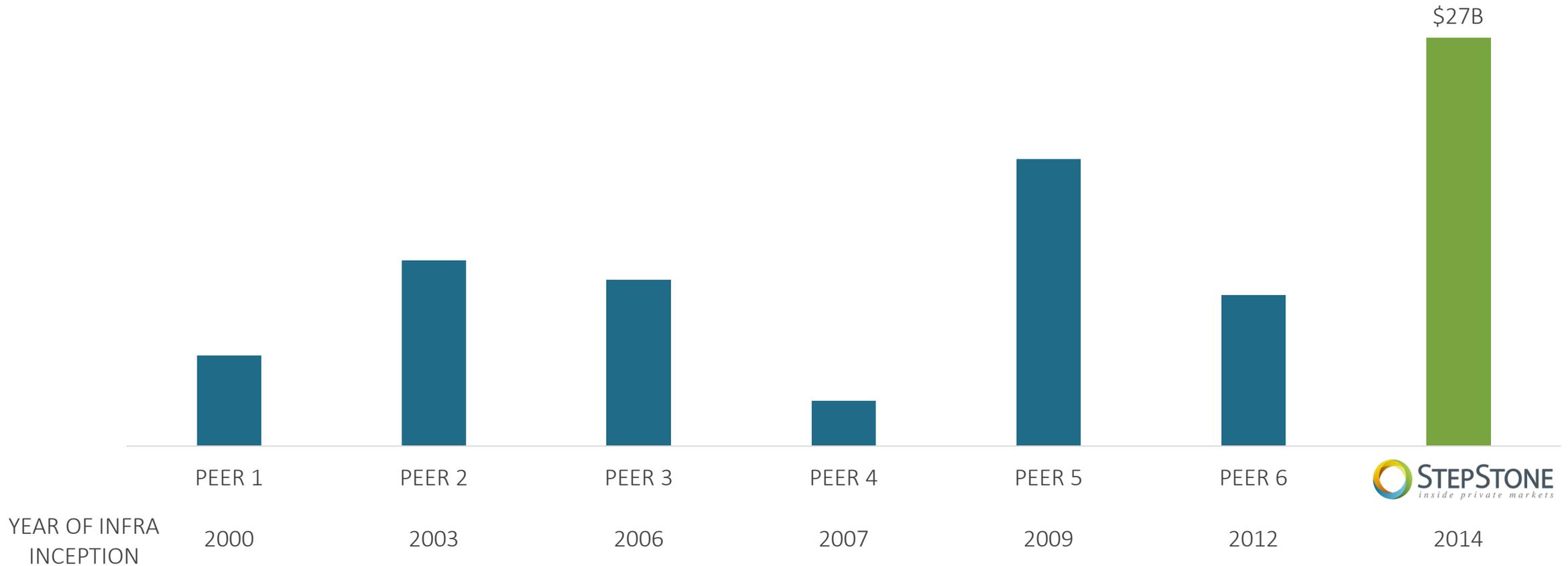
Over **\$15 billion** of co-investments made since 2016 across over **139 separate investments**

Strong investment performance across client strategies and risk / return spectrum

¹Based on the SPI database as of March 31, 2023.

StepStone Holds Strong Market Position in Infrastructure Solutions

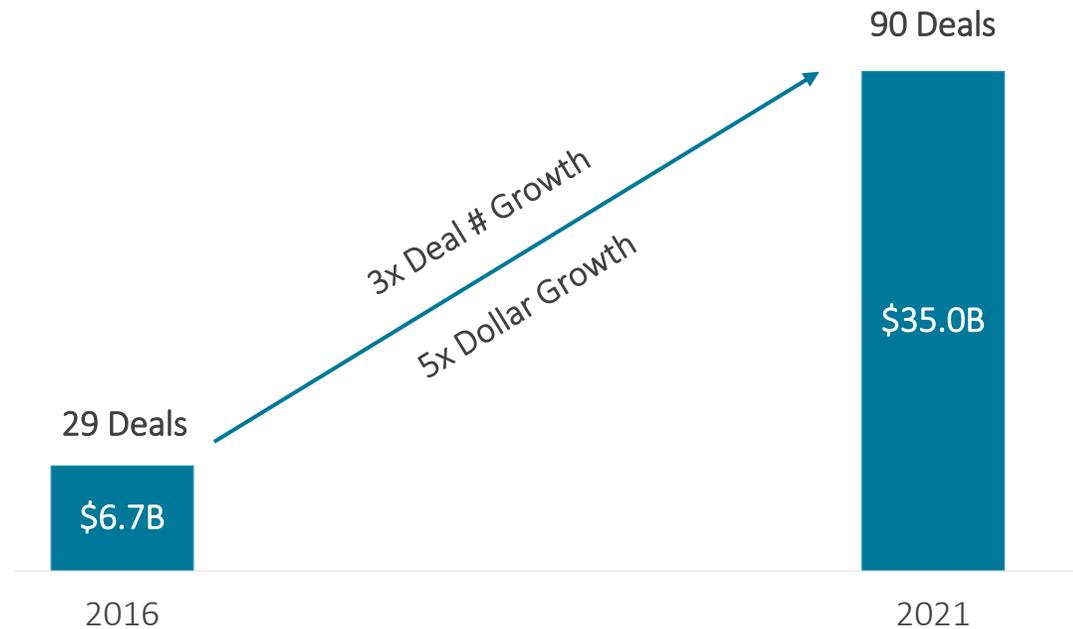
AUM OF INFRASTRUCTURE SOLUTIONS PROVIDERS (\$B)



Source: StepStone and public filings, as of March 31, 2023

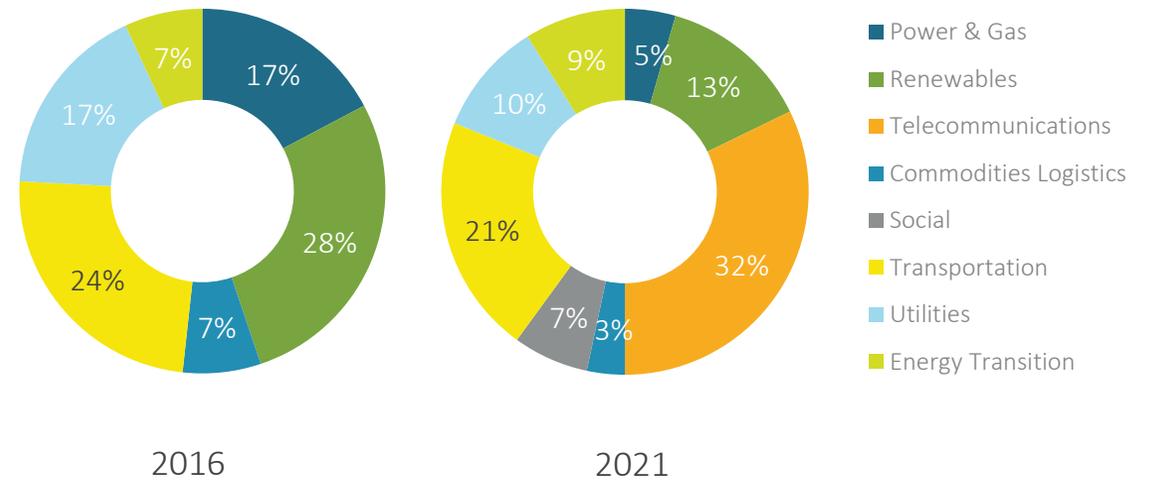
Co-Investment Growth Significant for Investors...

CO-INVESTMENT MARKET SNAPSHOT
FROM ~60 TOP GPs



- Investor appetite for co-investment is increasing rapidly, outstripping overall market growth by 2x over the last 5 years

CO-INVESTMENT MARKET SNAPSHOT BY SECTOR

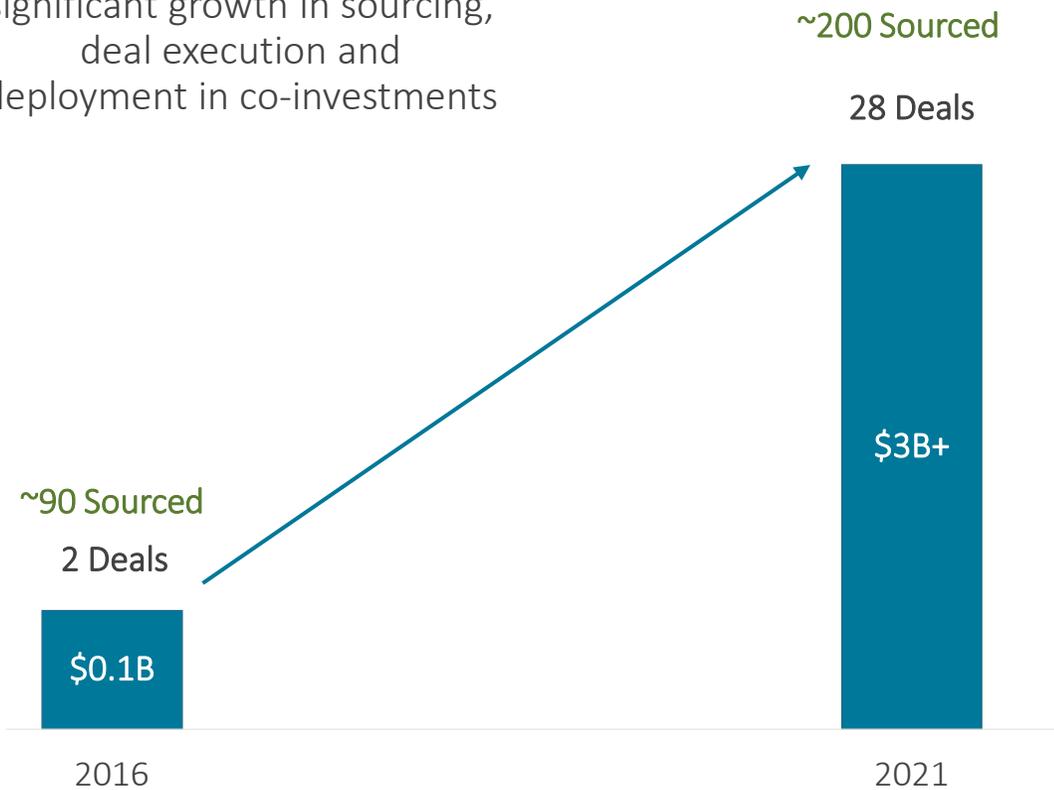


- Market complexity expanding with an increasing number of sectors, strategies and geographies for investors to consider

Source: SIRA Analysis

STEPSTONE INFRASTRUCTURE CO-INVESTMENT ACTIVITY

StepStone has experienced significant growth in sourcing, deal execution and deployment in co-investments

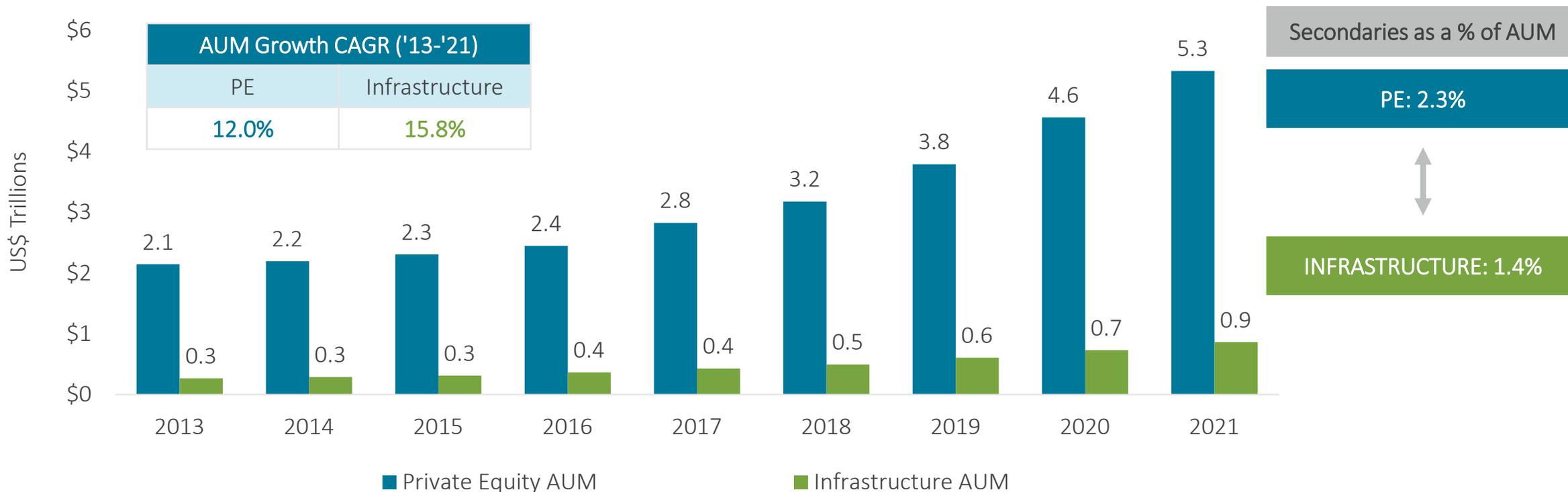


- Highly active GP engagement model (950+ meetings per year) and substantial annual primary deployment allows SIRA to capture significant co-investment deal flow from GPs
- Large pool of opportunities combined with proprietary market intelligence creates a highly selective model (selecting only 10-15% of deals reviewed)
- Large scale, global team with significant direct investment experience enables high quality underwriting driven strong investment performance for investors

Source: SIRA Analysis

Secular Trends Support Growth in Infrastructure Secondaries

INFRASTRUCTURE, PE AUM AND SECONDARY VOLUME TRENDS (\$T)¹



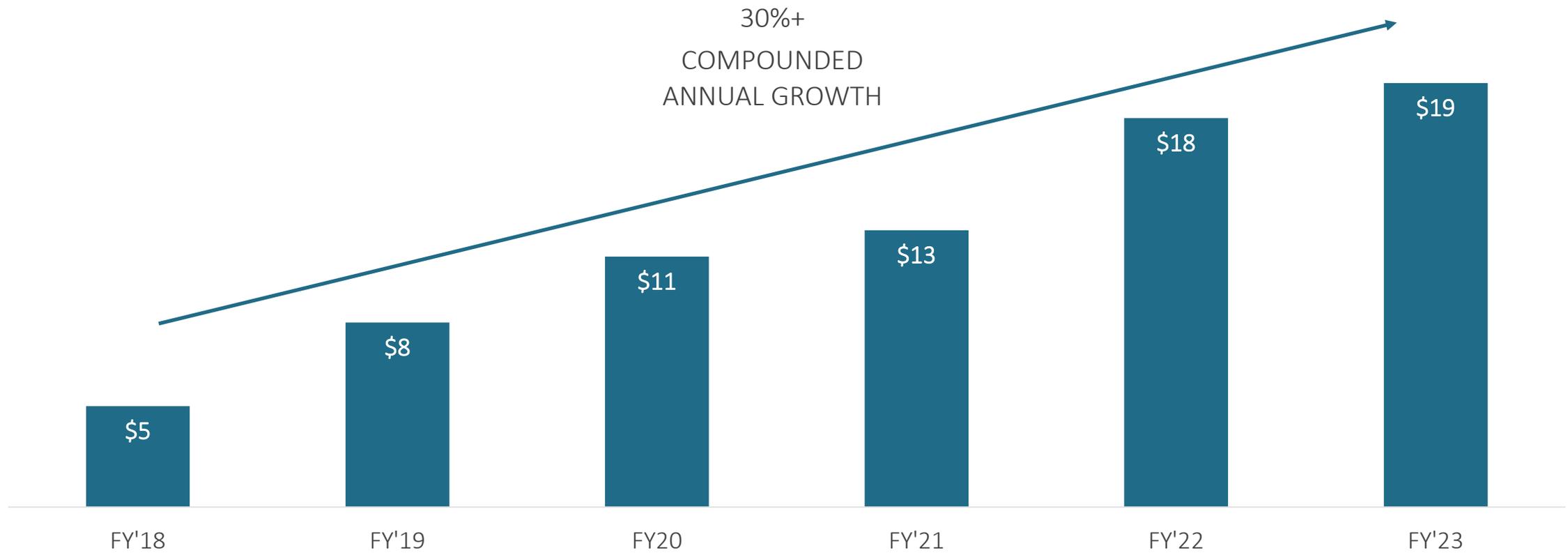
- Infrastructure AUM has been growing rapidly, creating a larger pool of assets potentially available to trade in the secondary market

- As the infrastructure market matures, the % of total AUM that trades each year is expected to increase towards levels seen in the more established private equity secondary market

¹Source: Preqin, GSAM

Infrastructure Fee-Earning AUM Growth

INFRASTRUCTURE FEE-EARNING AUM (\$B)



Infrastructure Management and Advisory Fee Mix and Opportunities for Growth

	PRIMARY	SECONDARY	CO-INVESTMENT	MULTI-STRATEGY
ADVISORY	Light Contribution	Not Offered / N/A	Not Offered / N/A	Heavy Contribution
SEPARATELY MANAGED ACCOUNTS	Heavy Contribution	Light Contribution	Heavy Contribution	Heavy Contribution
COMMINGLED FUNDS	Not Offered / N/A			
PRIVATE WEALTH	Not Offered / N/A	Not Offered / N/A	Not Offered / N/A	Light Contribution

Contribution of Management and Advisory Fees



MARKET OPPORTUNITY

Global themes focused on transportation, renewables, and telecommunications are driving trillions of dollars of infrastructure investments over the coming decades

As the infrastructure market matures, there is growing need for infrastructure solutions to address significant investment complexity and added choice for investors

THE STEPSTONE ADVANTAGE

StepStone has an experienced global team, and we believe we have a dominant market position

StepStone's global platform, widespread coverage, and leading access to quality investment opportunities position us to help investors navigate the evolving infrastructure landscape

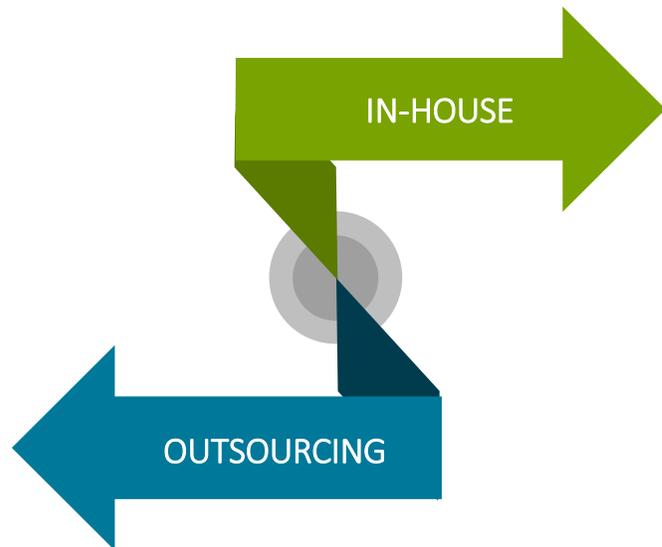
GROWTH DRIVERS

StepStone's strong existing advisory and separately managed account model is being complemented by commingled fund offerings across both institutional and private wealth to meet clients' growing demands

DATA AND TECHNOLOGY

Leveraging STEP proprietary data and technology capabilities to

- ✓ Enhance the investment process
- ✓ Improve the client experience
- ✓ Streamline and unify firm operations
- ✓ Enable new products and services



Strategy for In-house Development

- **30+ person** team dedicated to software development (staff and contractors)
- **8-person** Portfolio Management team developing industry-leading tools and optimizing portfolio construction
- Digitizing offline processes to drive efficiency
- Ability to integrate third-party applications and new technology
- Cost offset by SPI licensing, and ability to incentivize AUM

Digitizing the Investment Process through Technology



INVESTMENT SELECTION

- Identify and select fund managers using a research library of StepStone's due diligence from over 320 investment professionals



INVESTMENT VALUATION

- Estimate private portfolios in real time by leveraging StepStone's extensive database of historic private market valuations and their correlations to public markets



PORTFOLIO REPORTING

- Monitor and analyze portfolios with real-time access to a fast and intuitive platform tailored for investment professionals



PORTFOLIO PLANNING

- Forecast cash flows and exposures for your portfolio with customized commitment and return assumptions

Note: Number of professionals as of March 31, 2023

SPI: Front End Decision Tool Provides Leading Intelligence

SPI is differentiated and offers several advantages that help investors manage private markets portfolios

Leading Research

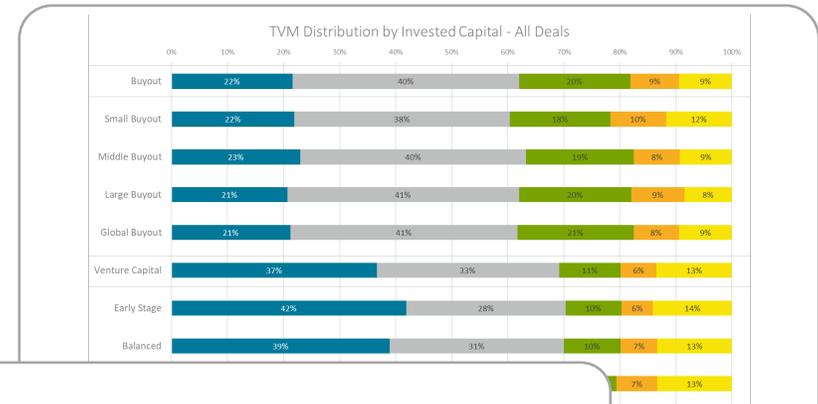
Industry white papers, general partner profiles, fund reviews, investment memos and company profiles

Access & Transparency

First-hand accounts and perspectives provided by StepStone's research team from meetings held with General Partners

Sophisticated Analytical Tools

StepStone tracks detailed investment performance data at the fund level and deal level, and operational performance data at the asset level to provide more intelligent analytical tools in choosing managers and underwriting coinvestment and secondary transactions



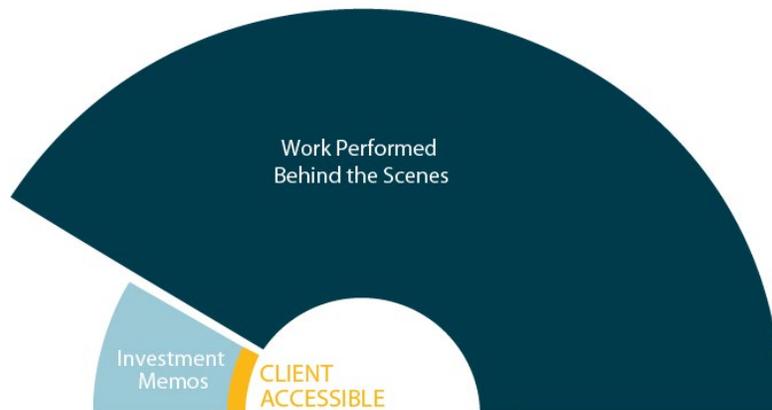
SPI Advantage: Access and Transparency

SPI provides greater access and transparency into StepStone's investment process than is usually provided from traditional private markets asset managers



Traditional Private Markets Asset manager

- Much of the work is performed behind the scenes
- Clients are presented with investment recommendations only after the consultant has reviewed dozens of fund opportunities



StepStone via SPI

- Clients can view research on all funds covered by StepStone throughout the investment process
- Provides insights on who the competitive managers are out of a given opportunity set



SPI Advantage: Sophisticated Analytical Tools

StepStone leverages proprietary data sets and has a clear information advantage with market-leading sample sizes. SPI tracks data on the following:

- ✔ 16,000 General Partners
- ✔ 42,000 Funds
- ✔ 82,000 Companies
- ✔ 195,000 Investments

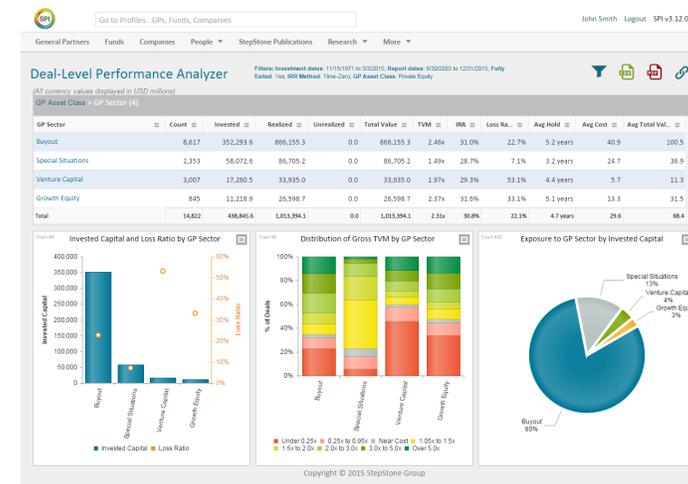
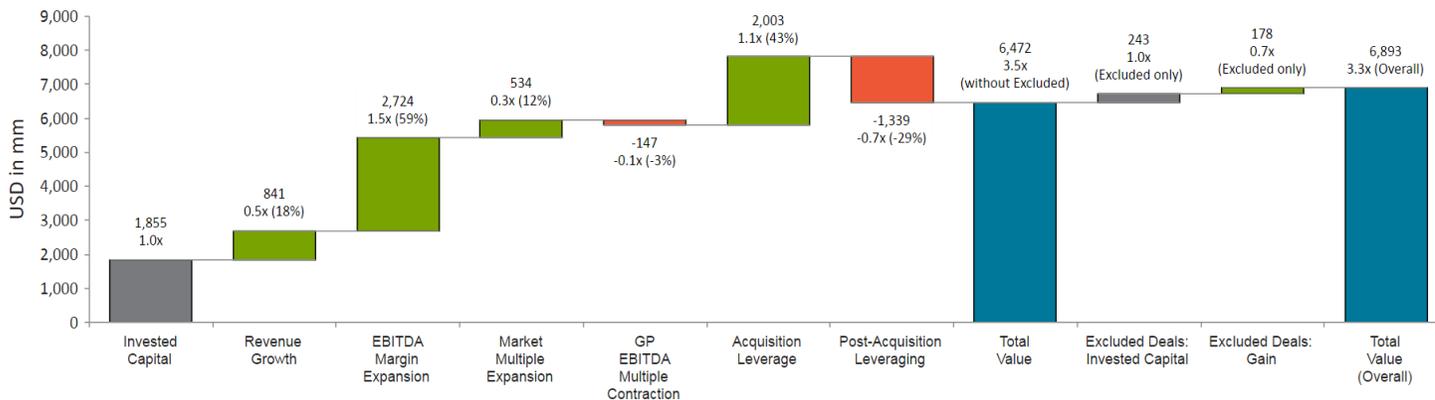
StepStone's Drivers of Investment Returns (DIR™)

Allows an LP to deconstruct performance between operational improvement, valuation expansion, and leverage

StepStone's Deal-Level Performance Analyzer (DLPA™)

Reviews 200k+ portfolio companies and assets across over 40k+ funds to compare performance across managers, geography, industry, and size, and identify manager outperformance across a variety of search criteria

DIR™ Analysis



Data as of March 31, 2023

Omni Portfolio Reporting: Powerful, Secure, Integrated, and Easy to Use

Omni's powerful analytics capabilities and interactive dashboards provide sophisticated investors valuable insights into portfolio performance and exposures



POWERFUL & PROVEN

- Proprietary data sets where StepStone has a clear informational advantage and market-leading sample sizes



SECURE & CONFIDENTIAL

- Access advanced analytics tailored for private market professionals on a secure platform



FAST & INTUITIVE

- Web-based interface provides clients with easy-to-use exports



IN-HOUSE SUPPORT

- Users are supported by a dedicated team of support and maintenance professionals



FULLY INTEGRATED

- Fully integrated with SPI and Pacing analysis



NEW FEATURES

- StepStone is continuously expanding Omni features with updated capabilities

\$900B+

Investor
Commitments

20,000+

Unique
Investments

30+

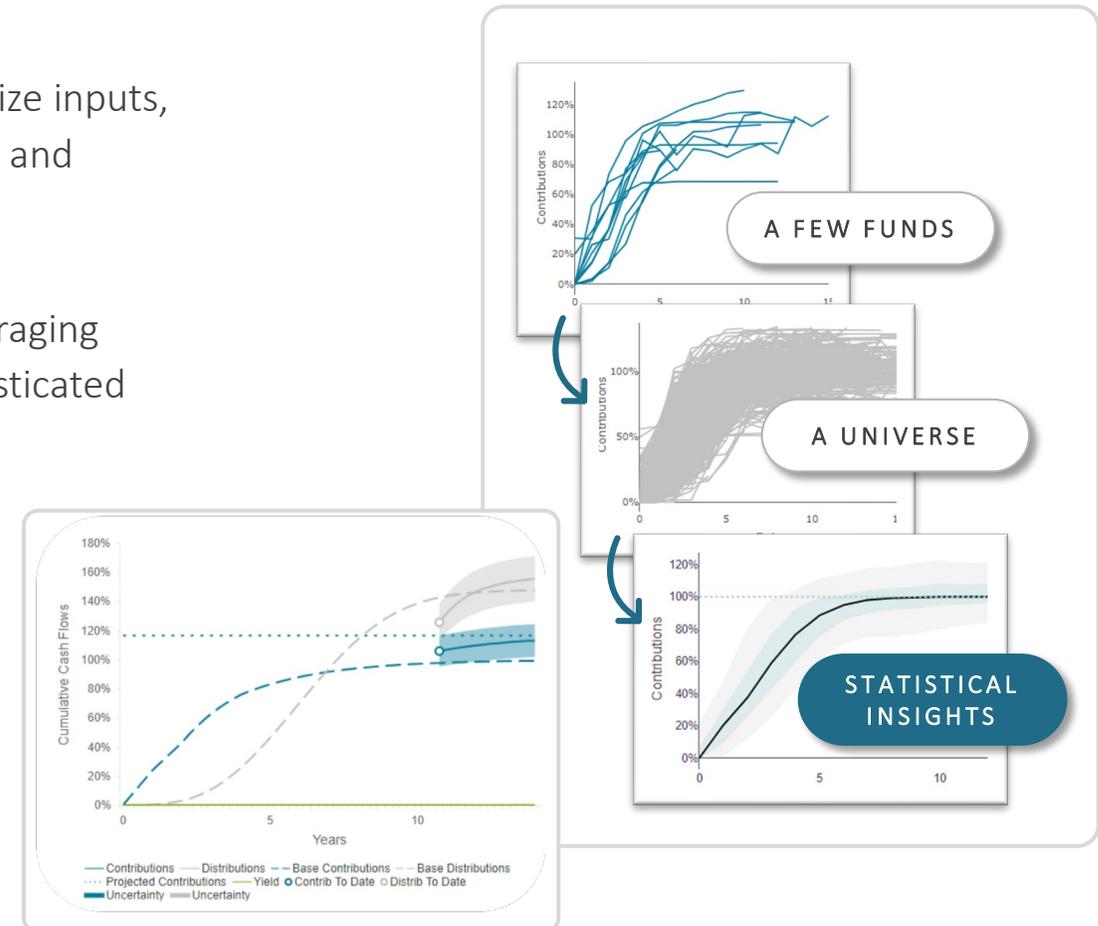
In-House Software
Engineers

Data as of March 31, 2023

Pacing: Transforming Data Into Insights

Pacing is StepStone’s web-based portfolio forecasting and planning tool

- ✔ Pacing helps LPs forecast future cash flows and NAVs, customize inputs, generate commitment schedule to achieve target allocations, and anticipate liquidity needs
- ✔ StepStone utilizes hundreds of thousands of data points, leveraging internal databases as well as external fees to produce a sophisticated and informed approach to estimating cash flow
- ✔ Users may fine-tune projections by creating their own strategy classifications or underwriting funds on an individual basis



Daily Valuation Engine: Providing Real Time Visibility into Private Portfolios

The **Daily Valuation Engine (DVE)** is a model to provide quarterly valuations for private assets leveraging StepStone's data tracking capabilities

2,600+

Funds

65,000+

Quarterly
Valuations

\$2T+

NAV



PRIVATE MARKETS CHALLENGE

Quarter-end valuations for private market assets are typically reported with a 60-to-120-day lag



STEPSTONE SOLUTIONS

DVE leverages StepStone's proprietary data and technology with public market returns to produce valuation estimates with an error rate under 2%



APPLICATIONS

- Pension plans that require mark-to-market valuations at year-end
- Clients' portfolio construction analysis and investment pacing decisions using the updated valuations
- 401K plans that require daily valuation
- Liquid Private Market products with monthly valuations

Data and Technology Help Fuel StepStone's Private Markets Solutions

StepStone utilizes data and technology to deliver superior risk-adjusted net returns and to overcome risk and liquidity hurdles to enable unique private market solutions while providing greater transparency to our clients

BETTER RISK ADJUSTED RETURNS

 **PROPRIETARY INSIGHTS**
Superior underwriting capabilities for co-investments and secondaries

 **DATA & INTELLIGENCE**
Better intelligence for strategic asset allocation

 **STRONG TOOLS**
Strongest tools to evaluate fund managers

COVERAGE 
Broader market coverage

EFFICIENCY 
More efficient investment decisions

ENABLING OF UNIQUE SOLUTIONS

 **PRIVATE WEALTH**
Evergreen, private wealth products

 **DEFINED CONTRIBUTION**
Retirement funds

INSURANCE 
Insurance offerings / rated feeder funds

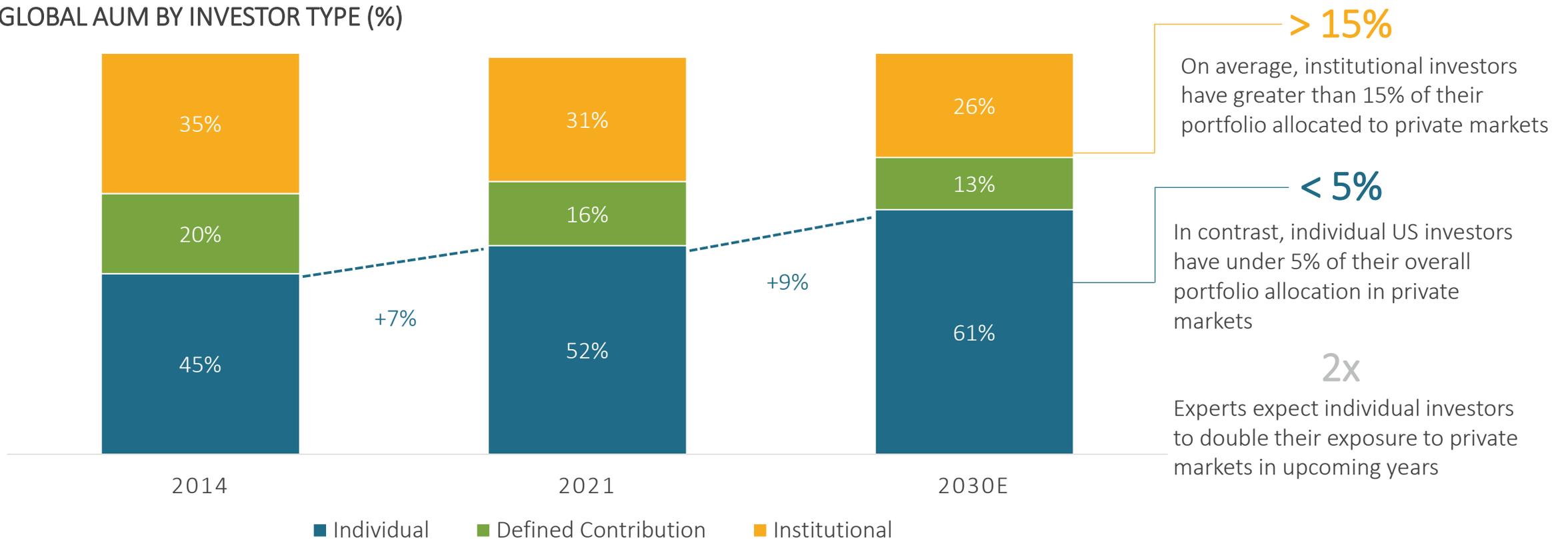
CUSTOMIZED PORTFOLIOS 
Purpose-built solutions

PRIVATE WEALTH

Private Wealth Offers a Substantial Market Opportunity

“Individual” assets recently surpassed “Institutional” and “Defined Contribution” assets. This trend is expected to continue into 2030, resulting in growing demand for products and distribution teams customized for the individual investor

GLOBAL AUM BY INVESTOR TYPE (%)

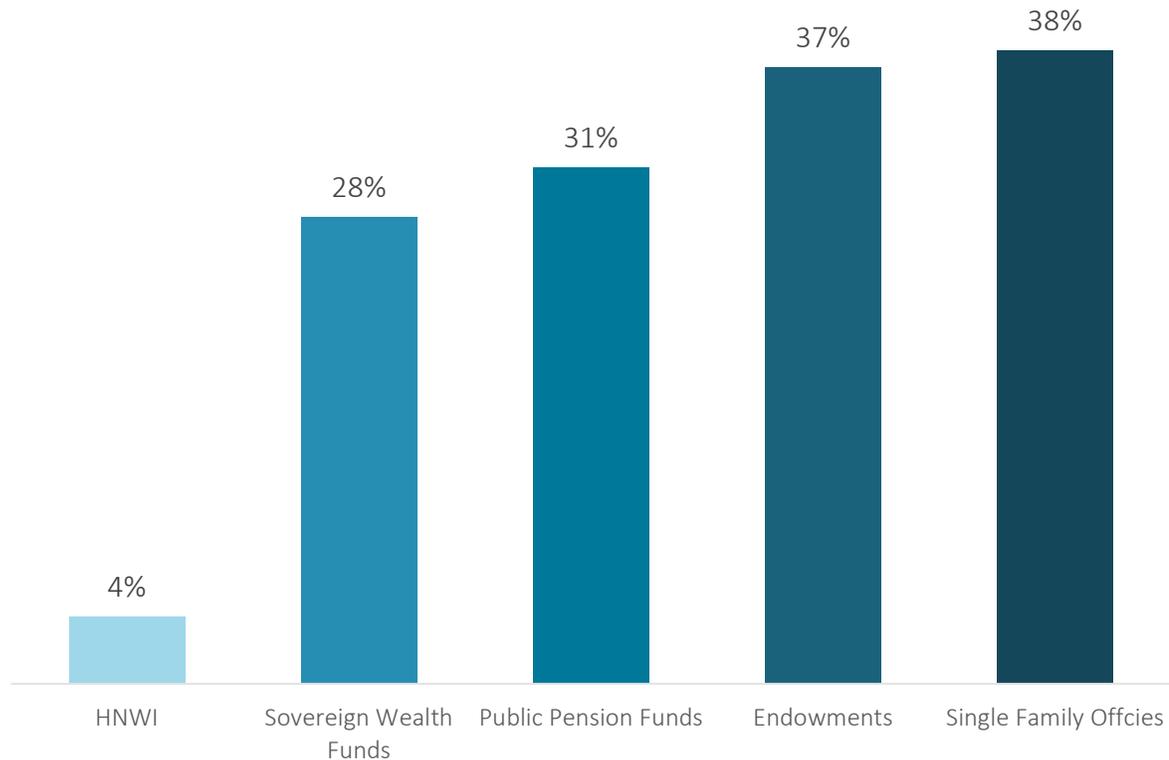


Source: Indefi GROM, Indefi Analysis, Simfund & BCG Annual Private Equity Report

“Institutional” represents defined benefit insurance, endowments, foundations, sovereign wealth, and corporate treasury. The Individual channel is comprised of assets from retail and private banks, financial advisors, family offices, as well as direct.

The Wealth Channel Remains Vastly Under Allocated to the Private Markets

CURRENT TARGET ALLOCATION TO PRIVATE MARKETS ALTERNATIVES



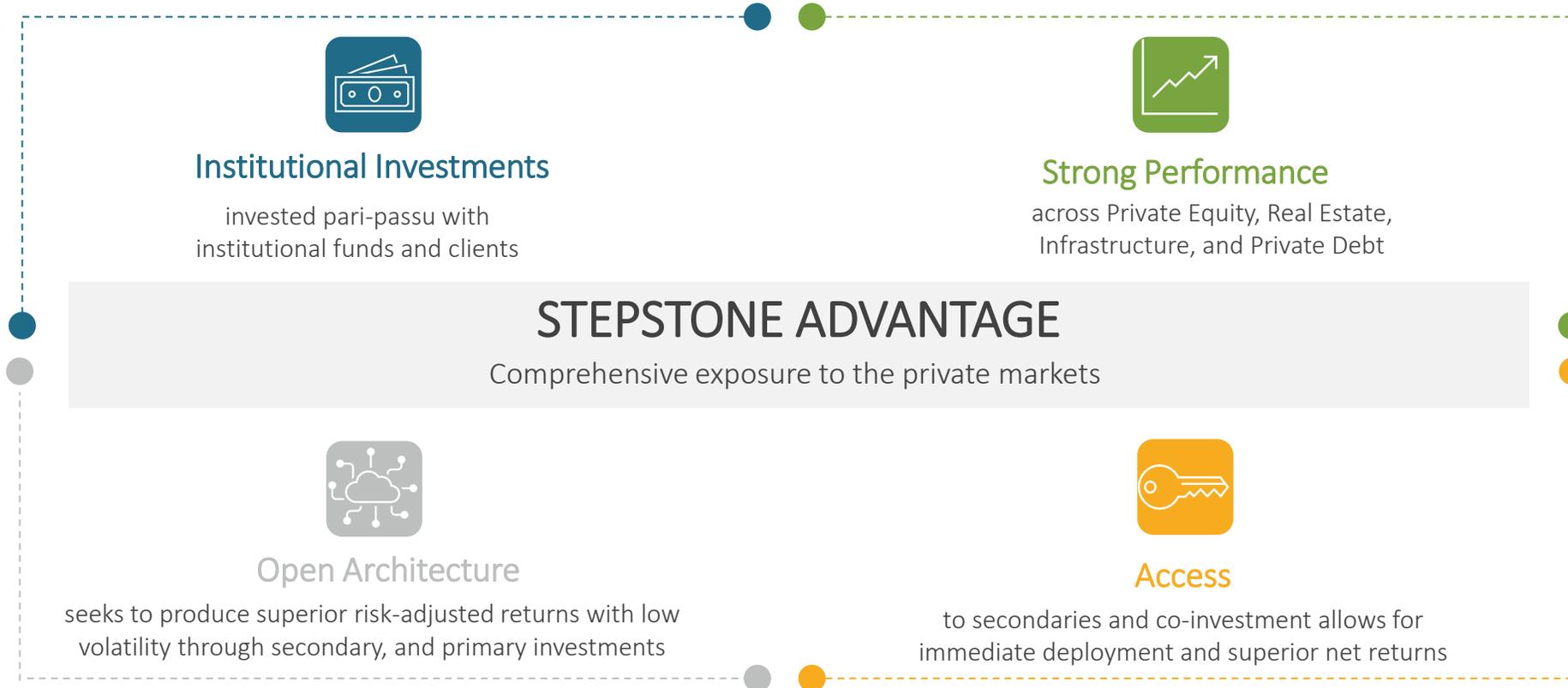
Individual challenges for accessing the private markets



StepStone Brings Institutional Private Market Returns to the Individual Investor

StepStone Private Wealth (“SPW”) was formed to convert the advantages of private markets enjoyed by institutional investors to opportunities for high-net-worth investors and smaller institutions

SPW utilizes StepStone’s senior investment expertise and proprietary suite of integrated data and technology solutions to complete comprehensive due diligence and make better investment decisions



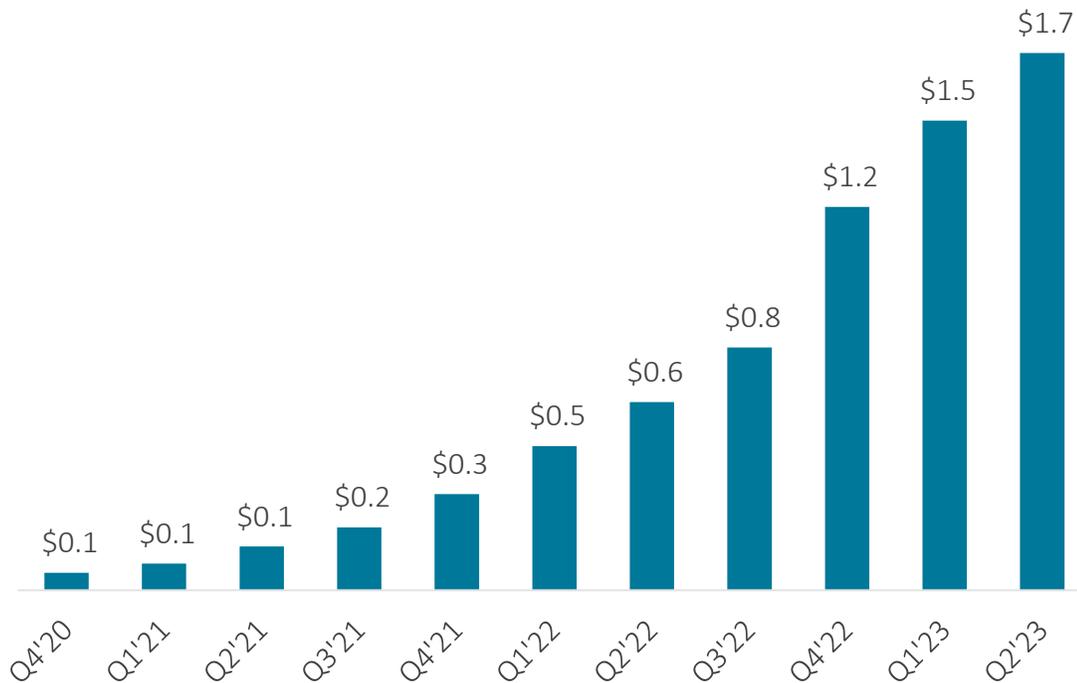
StepStone has Invested in Robust Distribution

- StepStone continues to expand its offerings and maintains a more than 50 person dedicated private wealth team
- Distribution networks extend across RIAs, Independent Broker Dealers, Wirehouses, and International platforms
- StepStone leverages the extensive, global relationships of our institutional business development team

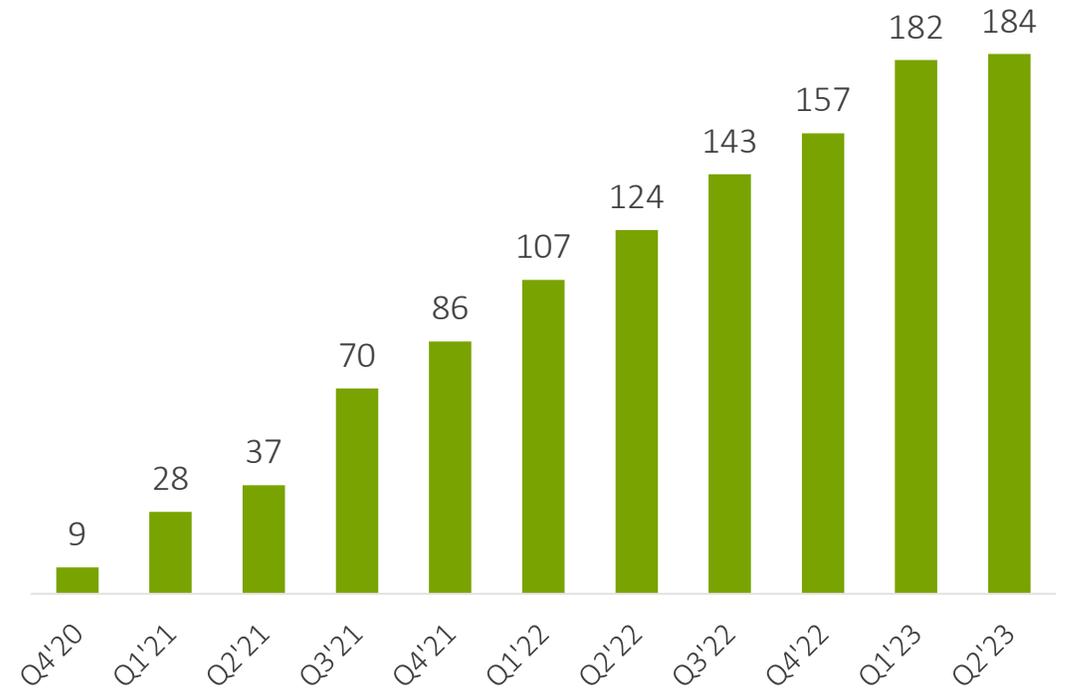


StepStone Private Wealth is Building on Positive Momentum

FEE-EARNING AUM (\$B)



DISTRIBUTION PARTNERS (#)

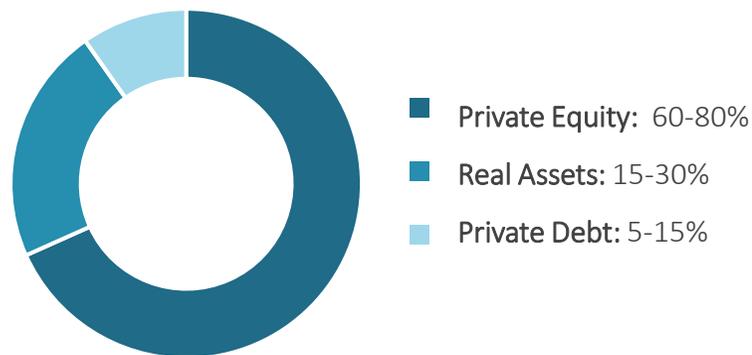


Quarters are represented as calendar quarter, and includes subscriptions through quarter-end Q2 2023 AUM as of May 30, 2023, and includes June 1 subscriptions

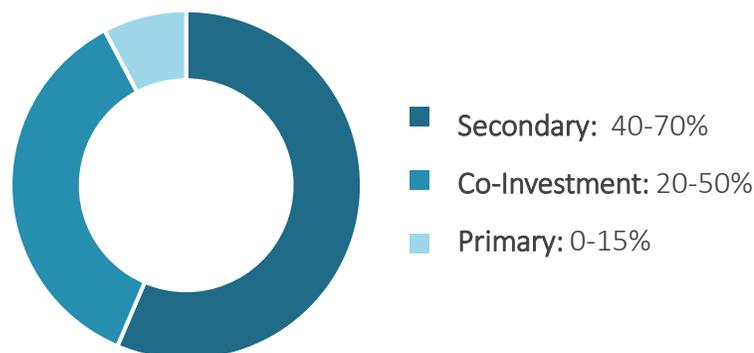
Product Overview: SPRIM – Core Private Market Solution

SPRIM is a single ticket, core private market solution to give accredited investors fully diversified exposure to private markets across asset class, strategy, and manager via a convenient, efficient, and transparent product

TARGET ASSET CLASS



TARGET STRATEGY



Portfolio Highlights¹

- 2,000+ portfolio companies
- 132 investment funds
- 24 co-investments
- 100 general partners

Fund Performance¹

- Launched October 2020
- NAV of \$1.4B as of June 1, 2023
- 92% total return since inception
- 29% annualized return since inception

¹As of May 1, 2023

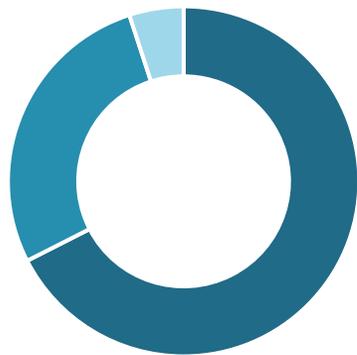
Investment Friendly Features

- Accredited investor eligible
- Low investment minimum of \$50,000
- Monthly subscription
- Quarterly redemption of up to 5% per quarter at NAV
- No capital calls
- 1099 tax reporting
- Low fees
 - 1.4% management fee on NAV
 - No carried interest

Product Overview: SPRING – Venture Capital and Growth Equity

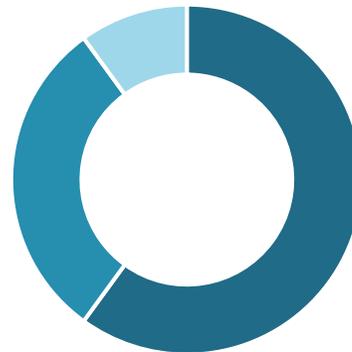
- SPRING is a broadly diversified venture and growth strategy, predominantly emphasizing shorter duration, higher IRR opportunities via secondaries, later stage direct investments and seasoned primary fund investments
- Leverages an open architecture approach emphasizing best-in-class managers across all sectors of the innovation economy and across all investment stages

TARGET ASSET CLASS



- Venture Capital: 60-75%
- Growth Equity: 20-35%
- Other Private Market: 0-10%

TARGET STRATEGY



- Secondary: 50-70%
- Primary Direct: 20-40%
- Primary Fund: 5-15%

Investment Friendly Features

- Eligible for qualified client
- Monthly subscription
- Quarterly redemption of up to 2.5% per quarter at NAV
- 1099 tax reporting
- 1.5% management fee on NAV
- 15% incentive fee, accrued monthly and paid annually, subject to a life-to-date high-watermark

Fund Performance

- Launched November 2022
- NAV of \$0.3B as of June 1, 2023
- 20% total return since inception

MARKET OPPORTUNITY

Individual investible assets are growing faster than institutional assets

Private wealth is among the fastest growing client bases within alternative investments

The individual investor remains significantly under allocated to the private markets

THE STEPSTONE ADVANTAGE

StepStone's open architecture, multi-manager platform is the most logical solution for individual investors

StepStone brings institutional expertise and a focus on customized solutions to the individual investor by leveraging the breadth of our strategies and asset classes, a purpose-built product structure, and leading technology

Our global platform supports global investment opportunities

GROWTH DRIVERS

StepStone Private Wealth should benefit from the robust distribution network we have built over the last two and a half years, and we continue to expand with new distribution partners

Our strong track record provides a compelling value proposition

Expansion into new products and asset classes should accelerate the strong growth we are already achieving

CONCLUDING REMARKS

APPENDIX

Understanding StepStone's Private Markets Strategies

PRIMARY FUND INVESTMENT

- Investments into a general partnership private market fund.
- StepStone navigates a complex network of over 40,000 funds, helping our clients deploy capital across asset classes and geographies.
- StepStone leverages our scale to negotiate fee discounts, thereby mitigating any additional layers of fees while assisting our clients in investing in a targeted and diversified manner.

CO-INVESTMENT

- Investments into a single company, property, security, or asset that occur outside of a sponsor's fund, but at the same time, and price as the general partner.
- A general partner will partner with co-investors in order to source additional capital to fund a transaction, or to limit the concentration of any single asset in its fund.
- Co-investment is an efficient means to build a targeted, lower cost, private market portfolio.
- StepStone has the scale, relationship, and data needed to swiftly identify and underwrite co-investment opportunities for our clients at a lower management and performance fee than our clients would typically pay a traditional private markets sponsor.

SECONDARY INVESTMENT

- Purchase of an existing stake or asset in a primary fund.
- Secondary transactions can be purchased from other limited partners, where the existing LP transfers the rights and obligations to the new LP purchaser, or directly from the general partner, where one or several assets are transferred into a new continuation vehicle.
- Secondary transactions offer multiple benefits including:
 - Immediate deployment of funds, rather than deployment over an extended investment period, thereby mitigating the J-curve.
 - Known investments, rather than a commitment to a blind pool.
 - Instant diversification across vintage years, helping mitigate concentration to specific economic cycles.
- StepStone leverages our scale, information, and underwriting to source the highest quality assets at favorable prices for our clients.

Understanding StepStone's Commercial Structures

SEPARATELY MANAGED ACCOUNTS

- Owned by one client and managed according to their specific preferences
- Address client's specific portfolio risk / return, diversification, and liquidity objectives
- Integrates a combination of investment strategies across one or more asset

FOCUSED COMMINGLED FUNDS

- Owned by multiple clients
- Deploy capital in specific asset classes with defined investment strategies
- Leverages StepStone's multi-asset class expertise

ADVISORY AND DATA SERVICES

- Recurring support of portfolio
- Construction and design
- Discrete or project-based due diligence
- Detailed review of existing private markets investments
- Consulting services
- Licensed access to SPI and OMNI
- Portfolio analytics and reporting

StepStone's Powerful, Integrated Platform

StepStone's process leverages specialized expertise across the platform leveraging sector / geographic experts, asset class resources, SPI database and legal and structuring resources

INVESTMENT TEAMS

PRIVATE EQUITY	REAL ESTATE	INFRASTRUCTURE	PRIVATE DEBT	GEOGRAPHY	INVESTMENT STRATEGIES
<ul style="list-style-type: none"> • US Small Buyout • US Mid Cap Buyout • US Large / Global Buyout • Venture Capital & Growth Equity • Energy • Distressed & Restructuring 	<ul style="list-style-type: none"> • Core / Core Plus • Large Cap Value Add / Opportunistic • Medium / Small Cap Value Add / Opportunistic • Credit 	<ul style="list-style-type: none"> • Clean Energy / Renewables • Power & Utilities • Telecommunications • Transport • Asset Leading Strategies • Agriculture & Timber 	<ul style="list-style-type: none"> • Corporate • Real Estate • Infrastructure • Credit Specialties 	<ul style="list-style-type: none"> • North America • Europe, Middle East & Africa • Asia & Australia • Latin America 	<ul style="list-style-type: none"> • Primary Fund Investment • Secondary Investment • Co-Investment

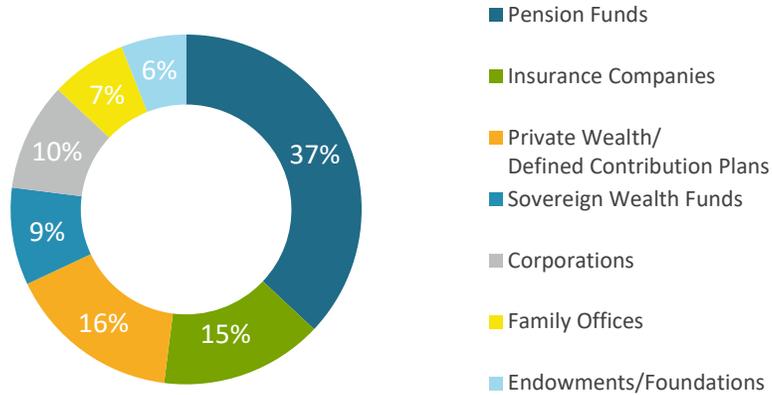
ENTERPRISE SERVICES

Business Development	Data, Science & Engineering	Monitoring & Reporting	Legal, Compliance, & Tax	Marketing & Client Services	Finance, Fund Accounting, & Investor Relations	Operational Due Diligence
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Blue-chip, Sophisticated, Global Clientele

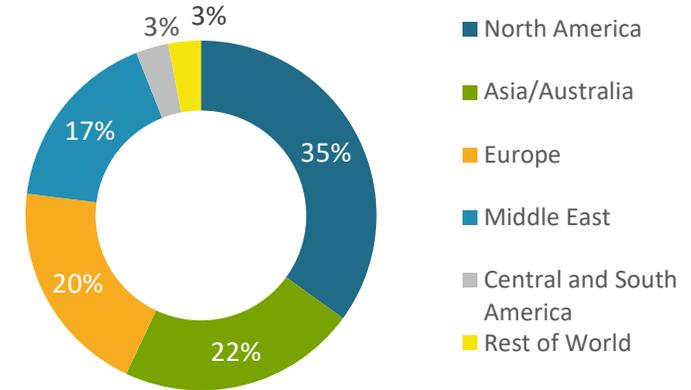
BY TYPE

LTM MGMT AND ADVISORY FEES (%)



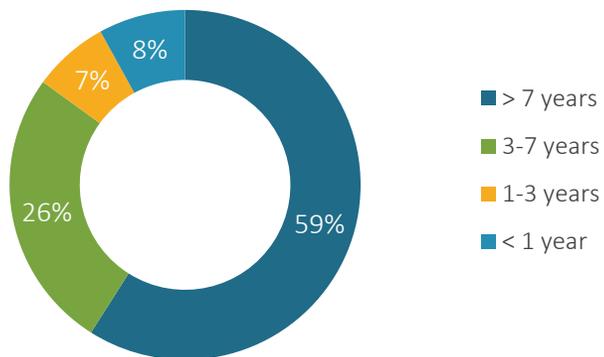
BY GEOGRAPHY

LTM MGMT AND ADVISORY FEES (%)



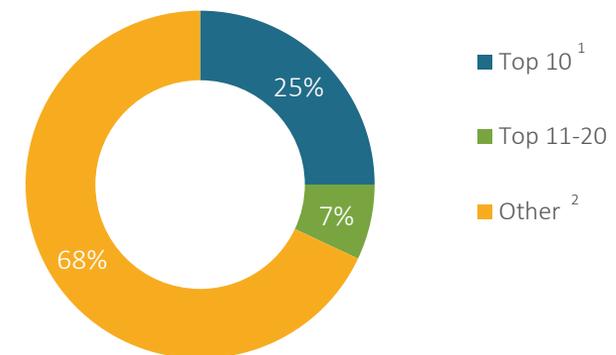
BY REMAINING ACCOUNT TENOR

LTM MGMT FEES (%)



BY CLIENT

LTM MGMT AND ADVISORY FEES (%)



Note: As of March 31, 2023

¹ Our top 10 clients comprise over 50 separate mandates and commitments to commingled funds.

² Includes ~46% of management and advisory fee contribution from focused commingled funds.

StepStone's Diversified Platform Spans Private Markets Solutions

PRIVATE EQUITY

- Total AUM: \$72B
 - SMA AUM: \$36B
 - FCF AUM: \$36B
- Advisory AUA: \$242B
- \$42B Approved in 2022

REAL ESTATE

- Total AUM: \$13B
 - SMA AUM: \$5B
 - FCF AUM: \$4B
 - Advisory AUM: \$4B
- Advisory AUA: \$172B
- \$18B Approved in 2022

INFRASTRUCTURE

- Total AUM: \$27B
 - SMA AUM: \$25B
 - FCF AUM: \$1B
 - Advisory AUM: \$2B
- Advisory AUA: \$51B
- \$14B Approved in 2022

PRIVATE DEBT

- Total AUM: \$27B
 - SMA AUM: \$16B
 - FCF AUM: \$3B
 - Advisory AUM: \$7B
- Advisory AUA: \$17B
- \$6B Approved in 2022

INVESTMENT STRATEGY ^{1,2,4}	NET IRR ³	NET TVM ³
PRIMARIES	17.4%	1.6x
SECONDARIES	18.0%	1.5x
CO-INVESTMENTS ⁷	20.7%	1.7x

INVESTMENT STRATEGY ^{1,4,5}	NET IRR ³	NET TVM ³
CORE/CORE+ FUND INVESTMENTS	8.8%	1.6x
VALUE-ADD/OPPORTUNISTIC FUND INVESTMENTS	10.1%	1.4x
REAL ESTATE DEBT FUND INVESTMENTS	5.9%	1.2x
VALUE-ADD/OPPORTUNISTIC SECONDARIES & CO-INVESTMENTS	13.8%	1.3x

INVESTMENT STRATEGY ^{1,4,6}	NET IRR ³
PRIMARIES	10.7%
SECONDARIES	10.5%
CO-INVESTMENTS ⁷	9.3%

INVESTMENT STRATEGY ^{1,4,8}	NET IRR ³
DIRECT LENDING	6.5%
DISTRESSED DEBT	9.3%
OTHER ⁹	6.0%

Note: Approvals are LTM as of December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services. Amounts may not sum to total due to rounding. SMA – Separately managed accounts. FCF – Focused commingled funds.

AUM and AUA figures are as of March 31, 2023. Reflects final data for the prior period (December 31, 2022), adjusted for net new client account activity through March 31, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of December 31, 2022, as reported by underlying managers up to 114 days following December 31, 2022. When NAV data is not available 114 days following December 31, 2022, such NAVs are adjusted for cash activity following the last available reported NAV. Please see next slide for performance footnote references.

Past performance is not necessarily indicative of future results and there can be no assurance that the fund will achieve comparable results or avoid substantial losses.

Track Record Disclosures

Note: Descriptions for certain terms can be found on the definitions pages in the following slides.

¹ Investment returns reflect NAV data for underlying investments as of December 31, 2022, as reported by underlying managers up to 114 days following December 31, 2022. For investment returns where NAV data is not available 114 days following December 31, 2022, such NAVs are adjusted for cash activity following the last available reported NAV. Investment returns are calculated on a constant currency adjusted reporting basis converting non-USD investment cash flows and NAVs to USD using the foreign currency exchange rate corresponding to each client's first cash flow date.

² Private equity includes 2,384 investments totaling \$168.8 billion of capital commitments and excludes (i) two advisory co-investments, totaling \$100.0 million of capital commitments, (ii) all client-directed private equity investments (245 investments totaling \$27.5 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

³ Net IRR and Net TVM are presented solely for illustrative purposes and do not represent actual returns received by any investor in any of the StepStone Funds represented above and are net of fees and expenses charged by both the underlying investment and hypothetical StepStone fees. The aggregate returns are not indicative of the returns an individual investor would receive from these investments. No individual investor received the aggregate returns described herein as the investments were made across multiple mandates over multiple years. StepStone fees and expenses are based on the following assumptions (management fees and expenses represent an annual rate):

- (i) Primaries: 25 basis points of net invested capital for management fees (and on NAV for private debt), charged quarterly.
- (ii) Secondaries: 125 basis points (60 basis points for infrastructure) of capital commitments in years 1 through 4 for management fees, charged quarterly. In year 5, management fees step down to 90% of the previous year's fee; 65 basis points for private debt, assessed quarterly on the net asset value.
- (iii) Co-investments: 100 basis points (85 and 50 basis points for infrastructure co-investments and direct asset management investments, respectively) on net committed capital for management fees, charged quarterly; 65 basis points for private debt, assessed quarterly on the net asset value.
- (iv) All investment types assess 5 basis points of capital commitments for fund expenses, charged quarterly, and 1 basis point of capital commitments drawn down in the first cash flow quarter for organizational costs.
- (v) Private equity and infrastructure secondaries and co-investments include 12.5% and 10.0% of paid and unrealized carry, respectively, with an 8.0% preferred return hurdle. Real estate secondaries and co-investments include 15.0% of paid and unrealized carry, with an 8.0% preferred return hurdle. Private debt secondaries and co-investments include 10.0% of paid and unrealized carry, with an 5.0% preferred return hurdle.

Net IRR and Net TVM for certain investments may have been impacted by StepStone's or the underlying fund manager's use of subscription backed credit facilities by such vehicles. Reinvested/recycled amounts increase contributed capital.

⁴ Investments of former clients are included in performance summary past the client termination date until such time as StepStone stops receiving current investment data (quarterly valuations and cash flows) for the investment. At that point, StepStone will then 'liquidate' the fund by entering a distribution amount equal to the last reported NAV, thus ending its contribution to the track record as of that date. Historical performance contribution will be maintained up until the 'liquidation' date.

⁵ Real estate includes 466 investments totaling \$73.4 billion of capital commitments and excludes (i) all client-directed real estate investments (78 investments totaling \$11.7 billion of capital commitments), (ii) nine secondary/co-investment core/core+ or credit investments, totaling \$537.0 million, (iii) four advisory fund investments totaling \$463.6 million of capital commitments, and (iv) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment. Includes the discretionary track record of Courtland Partners, Ltd., which StepStone acquired on April 1, 2018 (the "Courtland acquisition").

⁶ Infrastructure includes 224 investments totaling \$46.3 billion of capital commitments and excludes (i) 11 infrastructure investments made by the Partnership prior to the formation of the infrastructure subsidiary in 2013 or made prior to the Courtland acquisition totaling \$501.9 million of capital commitments, (ii) all client-directed infrastructure investments (27 investments totaling \$4.1 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

⁷ Co-investments includes venture capital and growth equity direct investments for private equity, and asset management investments for infrastructure.

⁸ Private debt includes 766 investments totaling \$43.5 billion of capital commitments and excludes (i) all client-directed debt investments (40 investments, totaling \$2.9 billion of capital commitments), (ii) real estate credit investments that were recommended by Courtland Partners, Ltd. prior to the Courtland acquisition (54 investments totaling \$5.2 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

⁹ Other includes mezzanine debt, collateralized loan obligations, leasing, regulatory capital, trade finance, intellectual property/royalty, real estate debt and infrastructure debt.

Past performance is not necessarily indicative of future results and there can be no assurance that the fund will achieve comparable results or avoid substantial losses.

Reconciliation of GAAP Income (Loss) before Income Tax to ANI and FRE



(in thousands)	LTM												
	F4Q'20	F1Q'21	F2Q'21	F3Q'21	F4Q'21	F1Q'22	F2Q'22	F3Q'22	F4Q'22	F1Q'23	F2Q'23	F3Q'23	F4Q'23
Income (loss) before income tax	\$ 148,740	\$ 65,903	\$ 127,742	\$ 226,446	\$ 337,849	\$ 529,993	\$ 534,460	\$ 559,605	\$ 512,581	\$ 351,454	\$ 163,250	\$ 6,883	\$ (41,454)
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	(12,052)	(14,300)	(21,383)	(22,013)	(23,952)	(24,986)	(21,908)	(23,996)	(28,100)	(30,496)	(34,576)	(37,662)	(39,054)
Net (income) loss attributable to non-controlling interests in legacy Greenspring entities	-	-	-	-	-	-	-	(17,890)	(32,586)	(23,982)	(8,625)	18,231	44,075
Unrealized carried interest allocation revenue	(161,819)	4,410	(86,854)	(252,395)	(433,827)	(742,366)	(728,712)	(710,566)	(585,851)	(295,502)	25,131	221,033	253,342
Unrealized performance fee-related compensation	82,701	(2,725)	42,014	122,636	215,508	369,755	365,428	360,167	312,903	172,778	12,446	(87,797)	(119,039)
Unrealized investment (income) loss	(2,873)	523	(1,692)	(4,599)	(11,066)	(19,272)	(20,364)	(22,743)	(17,661)	(10,578)	(19)	6,731	8,012
Impact of Consolidated Funds	-	-	-	-	-	-	-	-	-	-	-	(4,895)	(8,897)
Deferred incentive fees	799	4,345	4,700	4,700	4,700	5,196	5,811	5,811	1,438	(2,604)	(690)	(690)	3,892
Equity-based compensation ⁽²⁾	1,915	1,923	2,400	5,124	7,848	11,000	13,146	13,169	13,174	12,610	12,637	16,852	21,914
Amortization of intangibles	5,028	4,520	4,012	3,504	3,339	3,124	4,159	14,282	24,497	34,748	43,748	43,660	43,481
Write-off of unamortized deferred financing costs	-	-	3,526	3,526	3,526	3,526	-	-	-	-	-	-	-
Tax Receivable Agreements adjustments through earnings	-	-	-	-	-	-	1,391	1,391	(3,560)	(3,560)	(4,951)	(4,951)	(244)
Non-core items ⁽³⁾	4,419	6,675	5,843	5,409	6,342	5,992	15,996	16,856	26,260	26,555	19,232	27,556	17,580
Pre-tax adjusted net income	66,858	71,274	80,308	92,338	110,267	141,962	169,407	196,086	223,095	231,423	227,583	204,951	183,608
Income taxes ⁽⁴⁾	(16,715)	(17,819)	(20,078)	(23,086)	(24,865)	(31,506)	(37,098)	(42,231)	(50,152)	(51,879)	(50,893)	(45,689)	(40,945)
Adjusted net income	50,143	53,455	60,230	69,252	85,402	110,456	132,309	153,855	172,943	179,544	176,690	159,262	142,663
Income taxes ⁽⁴⁾	16,715	17,819	20,078	23,086	24,865	31,506	37,098	42,231	50,152	51,879	50,893	45,689	40,945
Realized carried interest allocation revenue	(46,177)	(36,915)	(34,412)	(40,894)	(62,953)	(109,278)	(153,253)	(193,749)	(200,718)	(224,362)	(194,300)	(144,061)	(131,089)
Realized performance fee-related compensation ⁽⁵⁾	26,958	22,078	20,505	20,328	30,532	52,940	74,910	98,702	91,208	107,635	94,484	72,177	79,846
Realized investment income	(4,053)	(3,003)	(3,169)	(4,924)	(5,341)	(6,737)	(8,507)	(7,997)	(8,499)	(8,057)	(7,738)	(6,577)	(5,503)
Incentive fees	(3,410)	(5,377)	(5,798)	(5,882)	(5,474)	(6,067)	(6,667)	(6,381)	(11,593)	(7,411)	(10,980)	(13,933)	(9,663)
Deferred incentive fees	(799)	(4,345)	(4,700)	(4,700)	(4,700)	(5,196)	(5,811)	(5,811)	(1,438)	2,604	690	690	(3,892)
Non-GAAP interest income ⁽⁶⁾	(1,436)	(1,196)	(955)	(639)	(413)	(399)	(440)	(400)	(337)	(268)	(418)	(1,076)	(1,726)
Interest expense	10,211	9,526	12,225	9,817	7,360	5,309	127	644	1,113	1,694	2,423	2,991	4,189
Adjusted other (income) loss ⁽⁶⁾⁽⁷⁾	1,355	924	782	(264)	(220)	437	1,240	2,312	1,311	1,978	2,051	1,420	1,334
Write-off of unamortized deferred financing costs	-	-	(3,526)	(3,526)	(3,526)	(3,526)	-	-	-	-	-	-	-
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	12,052	14,300	21,383	22,013	23,952	24,986	21,908	23,996	28,100	30,496	34,576	37,662	39,054
Fee-related earnings	\$ 61,559	\$ 67,266	\$ 82,643	\$ 83,667	\$ 89,484	\$ 94,431	\$ 92,914	\$ 107,402	\$ 122,242	\$ 135,732	\$ 148,371	\$ 154,244	\$ 156,158

Note: See definitions of non-GAAP measures in the following slides.

¹ Reflects the portion of pre-tax adjusted net income of our subsidiaries attributable to non-controlling interests.

² Reflects equity-based compensation for awards granted prior to and in connection with the IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction.

³ Includes certain other items that we believe are not indicative of our core operating performance, including charges associated with acquisitions and corporate transactions, contract terminations and employee severance.

⁴ Represents corporate income taxes at a blended statutory rate applied to pre-tax adjusted net income.

⁵ Includes carried interest-related compensation expense related to the portion of net carried interest allocation revenue attributable to equity holders of the Company's consolidated subsidiaries that are not 100% owned.

⁶ Excludes the impact of consolidating the Consolidated Funds.

⁷ Excludes amounts for Tax Receivable Agreements adjustments recognized as other income (loss).

Reconciliation of GAAP Fee Revenues to Adjusted Fee Revenues and FRE to Adjusted FRE and FRE Margin



(in thousands)	LTM												
	F4Q'20	F1Q'21	F2Q'21	F3Q'21	F4Q'21	F1Q'22	F2Q'22	F3Q'22	F4Q'22	F1Q'23	F2Q'23	F3Q'23	F4Q'23
Management and advisory fees, net	\$ 235,205	\$ 247,737	\$ 269,596	\$ 273,424	\$ 285,462	\$ 300,023	\$ 307,954	\$ 344,245	\$ 380,257	\$ 418,928	\$ 454,466	\$ 476,835	\$ 497,179
Consolidated Funds	-	-	-	-	-	-	-	-	-	-	-	-	147
Retroactive fees	(6,913)	(6,913)	(15,713)	(12,847)	(9,851)	(10,723)	(3,923)	(5,093)	(7,721)	(9,222)	(6,971)	(5,801)	(2,829)
Adjusted Fee Revenues	<u>\$ 228,292</u>	<u>\$ 240,824</u>	<u>\$ 253,883</u>	<u>\$ 260,577</u>	<u>\$ 275,611</u>	<u>\$ 289,300</u>	<u>\$ 304,031</u>	<u>\$ 339,152</u>	<u>\$ 372,536</u>	<u>\$ 409,706</u>	<u>\$ 447,495</u>	<u>\$ 471,034</u>	<u>\$ 494,497</u>
Fee-related earnings	\$ 61,559	\$ 67,266	\$ 82,643	\$ 83,667	\$ 89,484	\$ 94,431	\$ 92,914	\$ 107,402	\$ 122,242	\$ 135,732	\$ 148,371	\$ 154,244	\$ 156,158
Consolidated Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Retroactive fees	(6,846)	(6,846)	(15,146)	(12,280)	(9,316)	(10,126)	(3,721)	(4,823)	(7,054)	(8,473)	(6,327)	(5,225)	(2,683)
Adjusted fee-related earnings	<u>\$ 54,713</u>	<u>\$ 60,420</u>	<u>\$ 67,497</u>	<u>\$ 71,387</u>	<u>\$ 80,168</u>	<u>\$ 84,305</u>	<u>\$ 89,193</u>	<u>\$ 102,579</u>	<u>\$ 115,188</u>	<u>\$ 127,259</u>	<u>\$ 142,044</u>	<u>\$ 149,019</u>	<u>\$ 153,475</u>
Adjusted FRE margin	24.0%	25.1%	26.6%	27.4%	29.1%	29.1%	29.3%	30.2%	30.9%	31.1%	31.7%	31.6%	31.0%

See definitions of non-GAAP measures in the following slides.

Reflects the add back of management and advisory fee revenues for the Consolidated Funds, which have been eliminated in consolidation.

Calculation and Reconciliation of FRE per share and Adjusted FRE per share



(in thousands, except per share amounts)	Full Year					
	FY18	FY19	FY20	FY21	FY22	FY23
Fee-related earnings	\$ 23,836	\$ 45,342	\$ 61,559	\$ 89,484	\$ 122,242	\$ 156,158
Adjusted FRE	-	-	54,713	80,168	115,188	153,475
FRE per share	\$ 0.24	\$ 0.46	\$ 0.63	\$ 0.91	\$ 1.14	\$ 1.36
Adjusted FRE per share	\$ -	\$ -	\$ 0.56	\$ 0.81	\$ 1.07	\$ 1.34
Weighted-average shares of Class A common stock outstanding - Basic	29,238	29,238	29,238	29,658	49,834	61,885
Assumed vesting of RSUs	745	745	745	1,152	1,290	670
Assumed vesting and exchange of Class B2 units	2,411	2,411	2,411	2,465	2,477	2,476
Exchange of Class B units in the Partnership	65,579	65,579	65,579	65,159	52,028	46,781
Exchange of Class C units in the Partnership	-	-	-	-	1,563	2,807
Adjusted shares	<u>97,973</u>	<u>97,973</u>	<u>97,973</u>	<u>98,433</u>	<u>107,192</u>	<u>114,618</u>

Note: Our Class A common stock did not exist prior to the Reorganization and IPO in September 2020. As a result, the computation of ANI per share for fiscal 2018, 2019 and 2020 assumes the same number of adjusted shares outstanding as reported for the three months ended September 30, 2020 for comparability purposes.

Reconciliation of GAAP Realized Performance Fees to Gross and Net Realized Performance Fees¹



(\$ in millions)

	Quarter																				
	FQ4'18	FQ1'19	FQ2'19	FQ3'19	FQ4'19	FQ1'20	FQ2'20	FQ3'20	FQ4'20	FQ1'21	FQ2'21	FQ3'21	FQ4'21	FQ1'22	FQ2'22	FQ3'22	FQ4'22	FQ1'23	FQ2'23	FQ3'23	FQ4'23
Realized carried interest allocations	\$ 9.9	\$ 11.3	\$ 10.1	\$ 5.4	\$ 9.9	\$ 12.9	\$ 11.1	\$ 19.6	\$ 2.6	\$ 3.6	\$ 8.6	\$ 26.1	\$ 24.7	\$ 50.0	\$ 52.5	\$ 66.6	\$ 31.7	\$ 73.6	\$ 22.5	\$ 16.3	\$ 18.7
Incentive fees	0.1	1.2	0.1	0.1	0.1	1.6	0.8	0.2	0.8	3.6	1.2	0.3	0.4	4.2	1.8	0.0	5.6	-	5.4	3.0	1.3
Deferred incentive fees	0.6	1.0	-	-	-	-	0.8	-	-	3.5	1.2	-	-	4.0	1.8	-	(4.4)	-	3.7	-	0.2
Gross realized performance fees	10.7	13.5	10.2	5.5	10.0	14.5	12.6	19.8	3.4	10.8	10.9	26.4	25.1	58.2	56.1	66.6	32.9	73.6	31.5	19.3	20.2
Realized performance fee-related compensation	(4.8)	(6.3)	(5.6)	(3.0)	(5.4)	(7.8)	(6.4)	(10.4)	(2.4)	(2.9)	(4.8)	(10.2)	(12.6)	(25.3)	(26.8)	(34.0)	(5.1)	(41.7)	(13.6)	(11.7)	(12.8)
Net realized performance fees	\$ 5.9	\$ 7.2	\$ 4.6	\$ 2.5	\$ 4.6	\$ 6.7	\$ 6.2	\$ 9.4	\$ 1.0	\$ 7.9	\$ 6.1	\$ 16.1	\$ 12.5	\$ 32.9	\$ 29.3	\$ 32.6	\$ 27.8	\$ 31.9	\$ 17.9	\$ 7.6	\$ 7.5

	Last Twelve Months																				
	FQ4'18	FQ1'19	FQ2'19	FQ3'19	FQ4'19	FQ1'20	FQ2'20	FQ3'20	FQ4'20	FQ1'21	FQ2'21	FQ3'21	FQ4'21	FQ1'22	FQ2'22	FQ3'22	FQ4'22	FQ1'23	FQ2'23	FQ3'23	FQ4'23
Realized carried interest allocations	\$ 30.1	\$ 39.7	\$ 36.8	\$ 36.6	\$ 36.6	\$ 38.3	\$ 39.2	\$ 53.4	\$ 46.2	\$ 36.9	\$ 34.4	\$ 40.9	\$ 63.0	\$ 109.3	\$ 153.3	\$ 193.7	\$ 200.7	\$ 224.4	\$ 194.3	\$ 144.1	\$ 131.1
Incentive fees	1.5	2.7	3.2	1.6	1.5	1.9	2.6	2.7	3.4	5.4	5.8	5.9	5.5	6.1	6.7	6.4	11.6	7.4	11.0	13.9	9.7
Deferred incentive fees	2.8	3.6	3.0	1.6	1.0	-	0.8	0.8	0.8	4.3	4.7	4.7	4.7	5.2	5.8	5.8	1.4	(2.6)	(0.7)	(0.7)	3.9
Gross realized performance fees	34.4	46.0	42.9	39.9	39.2	40.2	42.6	57.0	50.4	46.6	44.9	51.5	73.1	120.5	165.7	205.9	213.8	229.2	204.6	157.3	144.6
Realized performance fee-related compensation	(11.4)	(16.8)	(18.7)	(19.7)	(20.3)	(21.8)	(22.6)	(30.0)	(27.0)	(22.1)	(20.5)	(20.4)	(30.5)	(52.9)	(74.9)	(98.7)	(91.2)	(107.6)	(94.5)	(72.2)	(79.8)
Net realized performance fees	\$ 23.0	\$ 29.2	\$ 24.2	\$ 20.1	\$ 18.9	\$ 18.4	\$ 20.0	\$ 27.0	\$ 23.4	\$ 24.5	\$ 24.4	\$ 31.1	\$ 42.6	\$ 67.6	\$ 90.8	\$ 107.2	\$ 122.5	\$ 121.5	\$ 110.1	\$ 85.1	\$ 64.8

Note: Amounts may not sum to total due to rounding.

¹ Excludes legacy Greenspring entities.

- **Company** refers to SSG and its consolidated subsidiaries, including the Partnership, following the Reorganization and IPO and to the Partnership and its consolidated subsidiaries prior to the Reorganization and IPO.
- **StepStone Group Inc.** or “SSG” refers solely to StepStone Group Inc., a Delaware corporation, and not to any of its subsidiaries.
- **Partnership** refers solely to StepStone Group LP, a Delaware limited partnership, and not to any of its subsidiaries.
- **Reorganization** refers to the series of transactions immediately before the Company's initial public offering (“IPO”), which was completed on September 18, 2020.
- **Assets under management**, or “AUM”, primarily reflects the assets associated with our SMAs and focused commingled funds. We classify assets as AUM if we have full discretion over the investment decisions in an account or have responsibility or custody of assets. Although management fees are based on a variety of factors and are not linearly correlated with AUM, we believe AUM is a useful metric for assessing the relative size and scope of our asset management business.

Our AUM is calculated as the sum of (i) the net asset value (“NAV”) of client portfolio assets, including the StepStone Funds and (ii) the unfunded commitments of clients to the underlying investments and the StepStone Funds. Our AUM reflects the investment valuations in respect of the underlying investments of our funds and accounts on a three-month lag, adjusted for new client account activity through the period end. Our AUM does not include post-period investment valuation or cash activity. AUM as of March 31, 2023 reflects final data for the prior period (December 31, 2022), adjusted for net new client account activity through March 31, 2023. NAV data for underlying investments is as of December 31, 2022, as reported by underlying managers up to 114 days following December 31, 2022. When NAV data is not available 114 days following December 31, 2022, such NAVs are adjusted for cash activity following the last available reported NAV.

- **Assets under advisement**, or “AUA”, consists of client assets for which we do not have full discretion to make investment decisions but play a role in advising the client or monitoring their investments. We generally earn revenue for advisory-related services on a contractual fixed fee basis. Advisory-related services include asset allocation, strategic planning, development of investment policies and guidelines, screening and recommending investments, legal negotiations, monitoring and reporting on investments, and investment manager review and due diligence. Advisory fees vary by client based on the scope of services, investment activity and other factors. Most of our advisory fees are fixed, and therefore, increases or decreases in AUA do not necessarily lead to proportionate changes in revenue.

Our AUA is calculated as the sum of (i) the NAV of client portfolio assets for which we do not have full discretion and (ii) the unfunded commitments of clients to the underlying investments. Our AUA reflects the investment valuations in respect of the underlying investments of our client accounts on a three-month lag, adjusted for new client account activity through the period end. Our AUA does not include post-period investment valuation or cash activity. AUA as of March 31, 2023 reflects final data for the prior period (December 31, 2022), adjusted for net new client account activity through March 31, 2023. NAV data for underlying investments is as of December 31, 2022, as reported by underlying managers up to 114 days following December 31, 2022. When NAV data is not available 114 days following December 31, 2022, such NAVs are adjusted for cash activity following the last available reported NAV. Beginning in the quarter ended March 31, 2021, the computation of AUA was modified to include the portion of client portfolio assets for which we do not directly provide recommendations, monitoring and/or reporting services. Prior period amounts have not been recast for this change as such historical data does not exist. The impact of the change was approximately \$70 billion in the quarter ended March 31, 2021.

- **Fee-earning AUM**, or “**FEAUM**”, reflects the assets from which we earn management fee revenue (i.e., fee basis) and includes assets in our SMAs, focused commingled funds and assets held directly by our clients for which we have fiduciary oversight and are paid fees as the manager of the assets. Our SMAs and focused commingled funds typically pay management fees based on capital commitments, net invested capital and, in certain cases, NAV, depending on the fee terms. Management fees are only marginally affected by market appreciation or depreciation because substantially all of the StepStone Funds pay management fees based on capital commitments or net invested capital. As a result, management fees and FEAUM are not materially affected by changes in market value.
- **Undeployed fee-earning capital** represents the amount of capital commitments to StepStone Funds that has not yet been invested or considered active but will generate management fee revenue once this capital is invested or activated.
- **Adjusted net income**, or “**ANI**”, is a non-GAAP performance measure that we present on a pre-tax and after-tax basis used to evaluate profitability. ANI represents the after-tax net realized income attributable to us. The components of revenues used in the determination of ANI (“**adjusted revenues**”) comprise net management and advisory fees, incentive fees (including the deferred portion) and realized carried interest allocations. In addition, ANI excludes: (a) unrealized carried interest allocation revenues and related compensation, (b) unrealized investment income, (c) equity-based compensation for awards granted prior to and in connection with our IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction, (d) amortization of intangibles and (e) certain other items that we believe are not indicative of our core operating performance, including charges associated with acquisitions and corporate transactions, contract terminations and employee severance. ANI does not reflect legacy Greenspring carried interest allocation revenues, legacy Greenspring carried interest-related compensation and legacy Greenspring investment income as none of the economics are attributable to us. ANI is income before taxes fully taxed at our blended statutory rate. We believe ANI and adjusted revenues are useful to investors because they enable investors to evaluate the performance of our business across reporting periods.
- **ANI per share** measures our per-share earnings assuming all Class B units and Class C units in the Partnership were exchanged for Class A common stock in SSG, including the dilutive impact of outstanding equity-based awards. ANI per share is calculated as ANI divided by adjusted shares outstanding. We believe ANI per share is useful to investors because it enables them to better evaluate per-share operating performance across reporting periods.
- **Fee-related earnings**, or “**FRE**”, is a non-GAAP performance measure used to monitor our baseline earnings from recurring management and advisory fees. FRE is a component of ANI and comprises net management and advisory fees, less adjusted expenses which are operating expenses other than (a) performance fee-related compensation, (b) equity-based compensation for awards granted prior to and in connection with our IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction, (c) amortization of intangibles, and (d) certain other items that we believe are not indicative of our core operating performance, including charges associated with acquisitions and corporate transactions, contract terminations and employee severance. FRE is presented before income taxes. We believe FRE is useful to investors because it provides additional insight into the operating profitability of our business and our ability to cover direct base compensation and operating expenses from total fee revenues.

Definitions (continued)

- **Fee-related earnings margin** is a non-GAAP performance measure which is calculated by dividing fee-related earnings by management & advisory fees, net. We believe fee-related earnings margin is an important measure of profitability on revenues that are largely recurring by nature.
- **Gross realized performance fees** represents realized carried interest allocations and incentive fees, including the deferred portion and excluding legacy Greenspring entities. We believe gross realized performance fees is useful to investors because it presents the total performance fees realized by us.
- **Net realized performance fees** represents gross realized performance fees, less realized performance fee-related compensation and excluding legacy Greenspring entities. We believe net realized performance fees is useful to investors because it presents the performance fees attributable to us, net of amounts paid to employees as performance fee-related compensation.
- **Invested capital** refers to the total amount of all investments made by a fund, including commitment-reducing and non-commitment-reducing capital calls.
- “**IRR**”, refers to the annualized internal rate of return for all investments within the relevant investment strategy on an inception-to-date basis as of December 31, 2022, based on contributions, distributions and unrealized value.
- “**Net IRR**” refers to IRR, net of fees and expenses charged by both the underlying fund managers and the Partnership.
- **Net asset value**, or “**NAV**”, refers to the estimated fair value of unrealized investments plus any net assets or liabilities associated with the investment as of December 31, 2022.
- “**Net TVM**” refers to the total value to paid-in capital or invested capital expressed as a multiple. Net TVM is calculated as distributions plus unrealized valuations divided by invested capital (including all capitalized costs).
- **Last twelve months**, or “**LTM**,” refers to the preceding twelve months as of the period end.
- **Compound annual growth rate**, or “**CAGR**,” represents a measure of the annual growth rate over multiple periods, considering the effect of compounding.
- **Legacy Greenspring entities** refers to certain entities for which the Company, indirectly through its subsidiaries, became the sole and/or managing member in connection with the Greenspring acquisition.
- **Fund size** refers to total capital commitments to a StepStone Fund, including commitments from the Company as the general partner.
- “**StepStone Funds**” refer to focused commingled funds and separately managed accounts of the Company, including acquired Greenspring funds, for which the Partnership or one of its subsidiaries acts as both investment adviser and general partner or managing member.

Definitions (continued)

- **Total capital responsibility** equals AUM plus AUA. AUM includes any accounts for which StepStone Group has full discretion over the investment decisions, has responsibility to arrange or effectuate transactions, or has custody of assets. AUA refers to accounts for which StepStone Group provides advice or consultation but for which the firm does not have discretionary authority, responsibility to arrange or effectuate transactions, or custody of assets.
- **“Consolidated Funds”** refer to the StepStone Funds that we are required to consolidate as of the applicable reporting period. We consolidate funds and other entities in which we hold a controlling financial interest.
- **“Private Wealth Transaction”** refers to new arrangements entered into by which certain members of the StepStone Group Private Wealth LLC (“SPW”) team received a profits interest in SPW and concurrently entered into an option agreement which provides that, (i) we have the right to acquire the profits interest at the end of any fiscal quarter after June 30, 2027, in exchange for payment of a call price and (ii) the SPW management team, through an entity named CH Equity Partners, LLC (formerly known as Conversus Holdings LLC), has the right to put the profits interest to us on June 30, 2026 or at the end of any fiscal quarter thereafter, in exchange for payment of a put price.