



The

2022 

PRIVATE EQUITY
& HEDGE FUND
ADMINISTRATION
SURVEYS

Precision & Excellence

Since 1978 our experienced independent professional team has forged a hard-earned reputation for providing a highly responsive personal service, backed by uncompromising attention to detail.

Professional advisors, asset managers, financial institutions, family offices and international businesses around the world rely on us for independent corporate, fiduciary and fund administration services.

Visit www.tridenttrust.com/fund-services for further information and contact us to discover how our global reach, experienced professional personnel and tailored services can make a difference to you and your clients.

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HEADS UP

Results have generally improved compared to 2021 as providers report increased business.

Reading the tables

Each of the following provider pages contains one table and two charts, which, if read closely, provide a wealth of information.

At the top of the page are the category and overall scores for each provider. Prior year scores, where available, are provided for comparative purposes, so readers can glean where client perceptions of the service received have changed over the year. The table also provides a three-year average where survey participation allows as well as performance against the global benchmark for each service area.

The first chart, new for 2022, shows the standard deviation for each category score. Essentially this is a measure of how far individual scores in each response pool diverge from the mean. Simply put, a low standard deviation suggests that respondents more or less agree with each other in their assessments. The higher the standard deviation, the more opinions vary.

The second chart breaks down the average score for each provider by client segment defined by AuM. This allows buy-side readers to see how peers of a similar size have rated each provider.

Methodology

GC's annual Private Equity Fund Administration (PEFA) Survey measures clients' perception of the service received from their PE fund admins over the past year.

The response pool is drawn from two sources. Those respondents who completed the survey in the previous year are invited to do so again, while PE fund admins themselves are invited either to submit client lists for invitation or to approach those clients themselves. The survey focuses on the views of fund managers, who have traditionally formed the bulk of the respondents. Back-end access to the survey portal allows providers to validate that the ratings they have received come from bona fide clients.

The questionnaire, completed online, includes eight service categories and allows respondents to rate each category on a seven-point scale from Unacceptable to Excellent.

Subsequent questions are optional and designed to allow

The results of this year's Private Equity Fund Administration Survey reflect an upbeat mood among both providers and their clients. "[The last 12 months] have presented opportunities for administrators to support managers in new and unique ways as managers deal with changing markets and their own human resource challenges," says Ultimus Leverpoint.

"As the private equity industry grows increasingly global, talent is in higher demand than ever before," Alter Domus confirms. "Staff turnover and talent retention are top of mind in any industry at the moment, but increasingly so in the alternative investment and servicing sphere."

The issue of talent and human resources has other implications. According to SS&C, private markets managers were previously able to withstand a degree of operational inefficiency which is now unsustainable due to 'The Great Resignation'. "With the fight for talent as the backdrop, firms are optimising their business processes and consolidating and upgrading their tech stacks to reduce reliance on key performers and to ensure the focus of human capital can be alpha generation," says the firm.

Investor transparency continues to be a regulatory focus with respect to private markets. Currently, the SEC is considering proposals to require private funds to standardise and regularly disclose performance figures, fees, expenses, and even compensation details, in addition to audited financial statements on an annual basis.

As SS&C points out, legacy operating models will be challenged if and when these proposals pass: "Private markets managers will need to re-evaluate their workflow as they prepare to comply. This will invariably continue the trend of strategic outsourcing across fund administration services."

the respondent to add supportive comment to their ratings. Five responses are the minimum required for an individual provider's numbers to be published. Where a provider has received an insufficient number of responses for an individual assessment, those responses will nevertheless contribute to overall survey averages.

The published results use Global Custodian's conventional seven-point scale familiar to readers of the magazine (where 1=unacceptable and 7=excellent) for each category.

Those providers wishing to understand their performance in more granular detail than is available through our published survey results can purchase data reports provided in Excel format. For more information on these and other opportunities, please contact matt.aldred@globalcustodian.com or beenish.hussain@globalcustodian.com.

Trident Trust

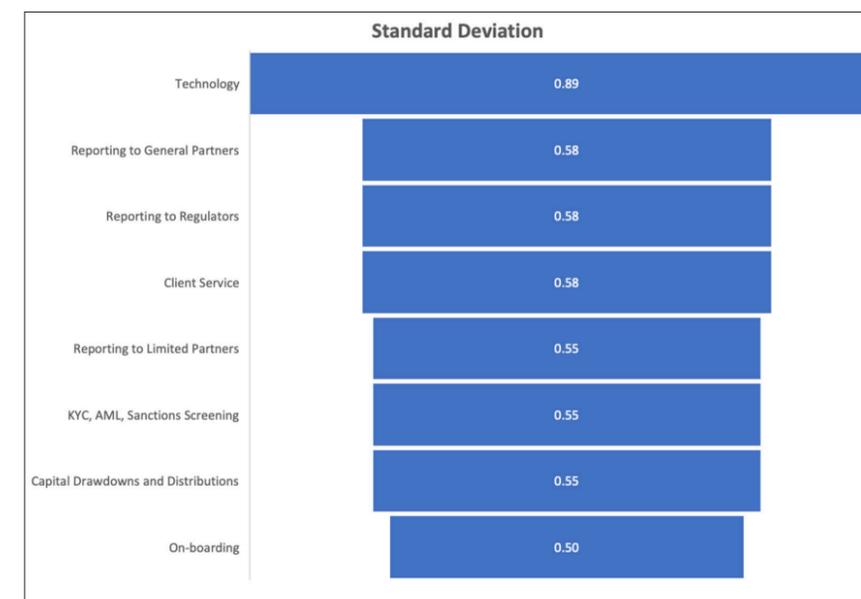
Year-on-Year Comparison					
Trident Trust	Average Score 2022	Average Score 2021	Average Score last 3 years	Global Average	Difference with Global Average
Client Service	6.50	6.08	6.35	5.97	0.53
On-boarding	6.75	6.64	6.62	5.99	0.76
Reporting to Limited Partners	6.60	6.25	6.57	6.06	0.54
Reporting to General Partners	6.67	6.00	6.35	6.13	0.54
Reporting to Regulators	6.67	5.80	6.41	5.87	0.80
KYC, AML, Sanctions Screening	6.60	6.54	6.65	5.88	0.72
Capital Drawdowns and Distributions	6.60	6.50	6.54	6.16	0.44
Technology	6.40	5.42	5.98	5.62	0.78
Average	6.60	6.15	6.44	5.96	0.64

Trident Trust administers approximately \$29 billion in committed capital on behalf of various private funds and strategies. With a relatively small response pool this year, Trident Trust has nevertheless seen a notable increase on 2021's scores, which, will still impressive, represented a drop on the previous year.

All categories record ratings above 6.00 and over 90% of individual category ratings awarded equate to Excellent or Very Good. Category scores are all well above the survey average, most notably in the areas of Reporting to Regulators, Technology and On-boarding. The last of these attracts attention from one respondent who lauds the fact that, "The on-boarding process is done by the same team that does the day to day which is very helpful."

Client comments are few, but enthusiastic. "Trident is extremely responsive and helpful in all aspects of their service. The attention to detail is excellent and the accuracy of the reporting is impeccable," says one client. Another confirms that they are "extremely satisfied with all aspects of the services Trident provides and would be a reference for them to any future clients".

The firm's progress in this year's survey appears to bear out observations made by Trident in the 2021 survey, where it was upbeat about potential for business growth: "Investor pressure (and other environmental pressures) to appoint a third-party administrator continue to drive the overall growth of the administration market," it suggested. "This growth trend is likely to continue for the next three to five years and is the main driving factor for the very high multiples being paid to acquire PE fund administrators."



NAVIGATING THE RAPIDS

Faced with pressure from managers to help them adapt to a challenging and fast-moving climate, hedge fund administrators have rallied to the task.

Over the past year, hedge fund administrators have had to deal with the daunting challenges facing their common clients, driven by factors well-rehearsed elsewhere in this issue of Global Custodian.

“Performance and complexity challenges are still very real for a hedge fund,” says BNP Paribas. “Continued pressure on asset class diversification and growing demands from Investors and regulators has led to operational pressure for the hedge fund.”

Apex points out that, “The regulatory landscape is continually evolving and regulations that may impact hedge fund strategies

will be a key focus point, such as short-selling regulations, MIFIR, MIFID and wider EU regulatory reforms, coupled with diverging regulations across the US and APAC. Navigating global regulations will continue to impact strategies.”

Managers are also increasingly under pressure to incorporate ESG into their decision-making, leading to increased data demands on their service providers.

Add to that, the challenge of finding and retaining talent in the post-pandemic hybrid work environment, which, says Opus, has shifted employee expectations. “Those that have failed to adapt have been greatly impacted by ‘the great resignation’, the firm suggests. “High employee turnover and a corresponding decline in service has been a common theme from managers looking to move their fund administration to Opus from their existing providers.”

Judging by the results of the survey, clients are on the whole pleased with the way their providers have risen to the occasion. Global average category scores are all above 6.00 with the inevitable exception of Pricing. Client Service remains in the top three categories overall.

Categories	Global Average (Unweighted)	Global Average (Weighted)	Difference
Fund Accounting	6.36	6.39	0.03
Reporting to Auditors	6.33	6.33	0.00
Client Service	6.26	6.29	0.03
Reporting to the Manager	6.26	6.25	-0.01
Operations	6.25	6.25	0.00
Middle Office Services	6.21	6.19	-0.02
Reporting to the Tax Authorities	6.19	6.19	0.00
KYC, AML and Sanctions Screening	6.18	6.19	0.01
Reporting to Investors	6.17	6.19	0.02
On-boarding	6.15	6.14	-0.01
Investor Services	6.15	6.20	0.05
Reporting to Regulators	6.12	6.16	0.04
Price	5.74	5.73	-0.01
Average	6.18	6.19	0.01

Trident Trust

Trident Trust	Average Score 2022	Average Score 2021	Average Score last 3 years	Global Average	Difference with Global Average
Client Service	6.50	5.69	6.23	6.26	0.24
On-boarding	6.33	5.92	6.15	6.15	0.18
Fund Accounting	6.36	6.00	6.27	6.36	0.00
Investor Services	6.25	5.71	6.05	6.15	0.10
Reporting to Investors	6.27	5.73	6.08	6.17	0.10
Reporting to the Manager	6.50	6.07	6.44	6.26	0.24
Reporting to Regulators	6.17	5.13	5.66	6.12	0.05
Reporting to the Tax Authorities	5.25	5.45	5.47	6.19	-0.94
Reporting to Auditors	6.50	5.86	6.34	6.33	0.17
KYC, AML and Sanctions Screening	6.40	6.18	6.29	6.18	0.22
Middle Office Services	N/A	N/A	5.67	6.21	N/A
Operations	6.25	N/A	6.13	6.25	0.00
Price	5.92	5.14	5.78	5.74	0.18
Average	6.23	5.72	6.04	6.18	0.05

Trident Trust has regained ground lost last year with an overall average back above 6.00. At a category level it exceeds that average in a majority of service areas. Some 56% of respondents for the provider rate its services in general as Excellent. One of the US-based clients in this position comments that, “No firm is perfect. But Trident listens to me and actively pursues solutions to any issues I raise. I appreciate their proactive stance.”

The biggest increase at a category level is for Reporting to Regulators, up from 5.13 to 6.17. Reporting to Tax Authorities has, however, fallen from 5.45 to 5.25.

Price has recorded a surprising bounce from the lower to upper fives. One client is admirably honest in this regard. “I believe that we are receiving a good value for the price paid for services,” says the respondent. “As for all customers, price is a difficult topic because everyone thinks they are paying too much. While this may be the case, looking at the value proposition compared to pricing is a better outcome.”

Looking ahead, Trident has an eye on crypto assets, pointing to a steady stream of new funds coming to market, despite turbulence in 2022. “We expect that the turbulence in the crypto market in recent months will accelerate the push for higher levels of regulation of this asset class in a number of jurisdictions worldwide,” says the firm.



Core Services

- ▶ Assistance with fund establishment
- ▶ Fund accounting, financial reporting
- ▶ Shareholder services/transfer agency
- ▶ Regulatory and statutory services
- ▶ Depository services
- ▶ Side entities and investment SPVs
- ▶ Global reach and resources
- ▶ Experienced qualified personnel
- ▶ Personal tailored service
- ▶ Globally integrated technology
- ▶ Comprehensive asset class support
- ▶ Independent private ownership

Key Statistics

20+
Jurisdictions

10+
Fund
domiciles

\$40bn
Assets under
administration

1978
First office
opened

500+
Funds

40+
Languages
spoken

Our Global Custodian Industry Leaders Awards

- ▶ 2022 Best Technology to Private Equity Funds
- ▶ 2021 Best Depository Services to Private Equity Funds
- ▶ 2020 Private Equity Fund Administrator of the Year; Best Client Service and Best Fund Accounting for Hedge Funds
- ▶ 2019 Best Onboarding for Private Equity Funds
- ▶ 2018 Hedge Fund Administrator of the Year; Best Client Service for Hedge Funds; Best Onboarding for Private Equity Funds
- ▶ 2017 Best Relationship Management and Best Client Service for North American Hedge Funds and Private Equity Funds

Our Service is Our Difference

We pride ourselves on the high level of professional service we give our clients and take pleasure in helping them build successful businesses. Whether a first-time manager or a multi-billion-dollar fund, all our clients receive the utmost commitment and dedication from our team.

We greatly value Global Custodian's fund administration surveys because they are based on anonymous feedback given by clients across the industry, where they have the opportunity to comment honestly about the work that we do.

This year Trident Trust earned the highest average score of any participant in the private equity fund administration survey and was also noted to hold the best average score across the last three years.

In fact, by our calculation, we hold the best average score of any participant in the private equity survey since it began.

In addition, Trident Trust once again exceeded the global average score of all participants in the hedge fund administration survey.

Over the past six years, Trident Trust has now won 11 Global Custodian awards, including two 'Fund Administrator of the Year' Awards and another four for client service.

What Our Clients Have Said in the GC Surveys

"Trident is extremely responsive and helpful in all aspects of their service. The attention to detail is excellent and the accuracy of the reporting is impeccable."

"Amazing, responsive, adaptable. Top-notch service all around."

"Could not be happier with the service level and knowledge of Trident."

"Extremely satisfied with all aspects of the services Trident provides and would be a reference for them to any future clients."

"They do excellent work for us, are highly responsive, collaborative, and it is a genuine professional pleasure to work with them."

"Great attention to detail and timely responses to questions."

"I couldn't speak more highly of my team at Trident and I would recommend them to anyone. They are responsive, proactive, super helpful, the work provided is flawless."