



2026 OUTLOOK

Thematic Investing

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As 2025 draws to a close, we're addressing the most frequent investment questions we're receiving from our clients across our various investment strategies. Looking ahead to 2026, we remain dedicated to our client partnerships and to delivering results, guided by the Rockefeller legacy of disciplined investing.

As we enter 2026, thematic equity investing is shaped by a critical tension: inevitable transitions and mega-trends, such as decarbonization, demographic shifts, technological advancements, colliding with real-world constraints in grid capacity, water resources, labor availability, and capital flows. This dynamic is redefining return drivers and creating opportunity beyond direct exposures. The next phase of returns in thematic strategies is likely to be driven less by ambition and sentiment and more by execution capabilities, balance-sheet resilience, and exposure to enabling activities and bottlenecks rather than end-markets alone.

Against this backdrop, several cross-cutting themes are set to influence long-term portfolio allocations. Below are insights from our thematic portfolio managers and investment specialists, reflecting frequent questions and conversations with our global clients.

Q1 Where do you see opportunities linked to AI beyond hyperscalers?

Artificial intelligence is turning digitization into a physical infrastructure story. The build-out of data centers to support AI workloads is driving unprecedented demand for electricity, grid capacity, and cooling, revealing the cumulative impact of years of underinvestment in power networks and transmission. As a result, investments in generation, transmission, distribution, and associated services are accelerating.¹ These are non-discretionary: grid congestion, connection queues, and reliability requirements make investment difficult to defer, even in periods of economic uncertainty.

The opportunity set of the AI theme extends beyond hyperscalers to other enabling activities. Grid equipment suppliers, engineering firms, and cooling and water-management specialists sit at the intersection of AI and electrification trends, benefiting from unavoidable demand growth. Selection should emphasize balance-sheet strength and cash-flow visibility anchored in capacity needs rather than policy, cycles, or sentiment, while remaining aware of key risks to monitor, including the pacing of hyperscaler capex and permitting timelines.



Q2 Where are opportunities currently emerging in the energy transition theme?

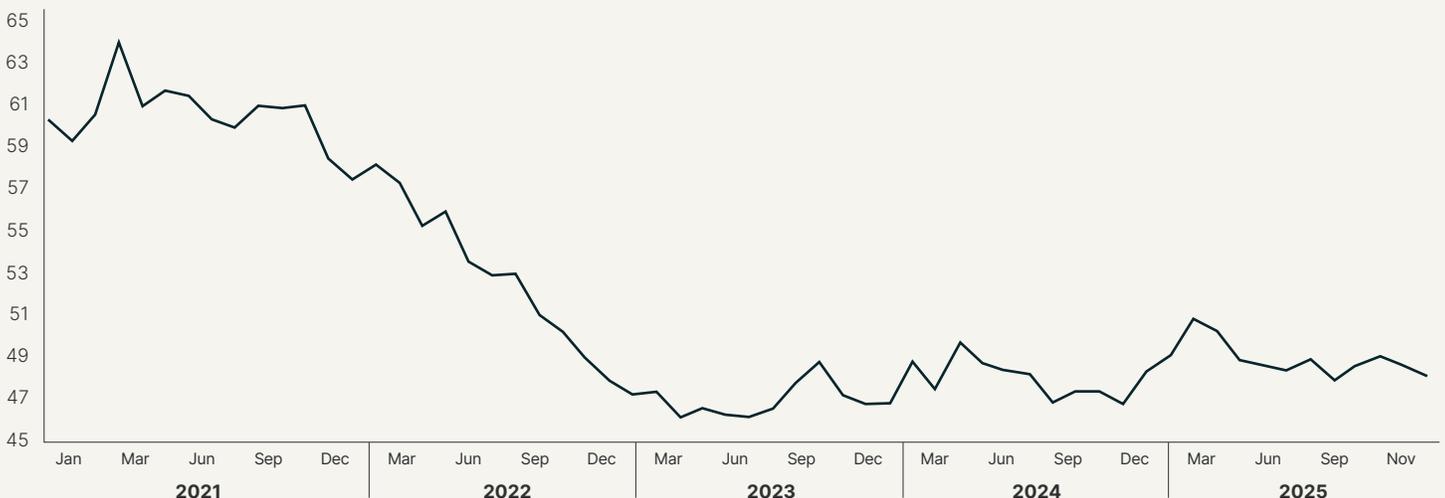
A decade after the Paris Agreement, the pace of progress remains insufficient to meet long-term climate and decarbonization targets, requiring a two- to three-fold acceleration this decade to keep the global temperature goal within reach.²

The transition is moving into a pragmatic recalibration in which decarbonization is weighed alongside energy security, affordability, and competitiveness. This shift broadens the opportunity set beyond utility scale renewables toward enabling infrastructure and services: flexible and dispatchable power, grid stability equipment and engineering, storage, and demand side efficiency – business models supported by visible, non

discretionary demand and durable cash flow profiles across a range of policy scenarios. In Industrials, end markets tied to power equipment and engineering services are recovering after more than five years of weakness, improving backlog quality and pricing.

In parallel, adaptation and resilience are moving to the core of climate investment. As climate related disruptions intensify, spending on flood protection, grid hardening, water management, and environmental services is increasingly treated as infrastructure like, with a clear economic rationale tied to risk reduction and continuity of supply.³

Institute for Supply Management (ISM) Manufacturing Purchasing Managers Index (PMI)



Source: Bloomberg as of December 22, 2025. Past performance is no guarantee of future

Q3 Where do demographic patterns translate into durable revenue growth?

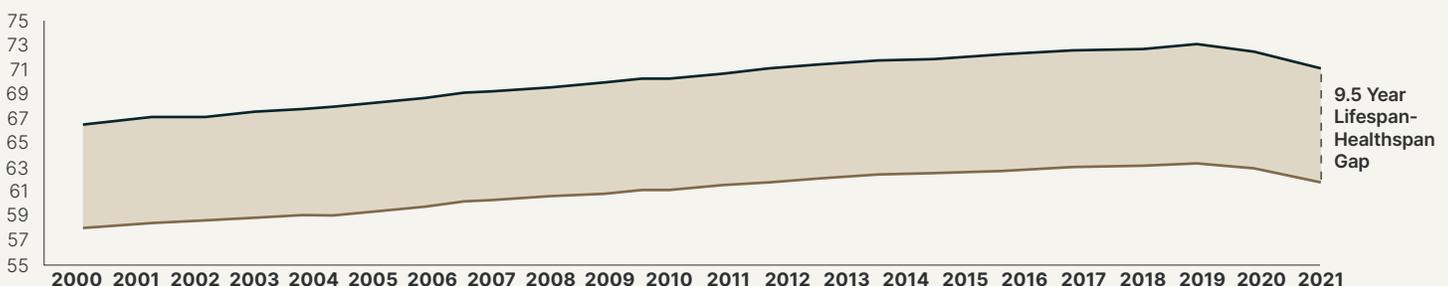
Demographic shifts can underpin durable demand where they persistently affect utilization, pricing, and replacement cycles. Ageing populations, lower fertility and migration continue to reshape needs and driving innovation in healthcare, industrial systems, and essential services.

Societies are shaped in large part by their age structures, and their economic priorities shift with the age distribution. In advanced economies, rising longevity alongside a persistent healthspan gap is driving utilization and innovation in advanced therapies, medical technologies, and operational efficiency in care delivery. At the same time, labor scarcity and productivity weakness from falling fertility rates will continue to drive investments in automated processes, robotics, digital tools to gain efficiencies and tailor to changing consumer demand.⁴

These forces compound gradually and their investment implications are cumulative rather than event-based. However, stock selection matters. The unfolding of inevitable transitions, including demographic shifts, does not eliminate competition, in fact, outcomes remain linked to execution quality, disciplined capital allocation, and the capacity to scale solutions in a competitive market.

Global Life Expectancy and Healthspan Trends

— Life expectancy at birth (years) — Healthy life expectancy at birth (years)



Source: Global Health Observatory (World Health Organization), Analysis by Rockefeller Asset Management. 2025

Q4 What role should thematic strategies play in a diversified portfolio?

In a diversified portfolio, thematic strategies provide exposure to structural drivers that cut across traditional sector classifications, adding diversification and differentiated sources of return.

Skepticism around thematic strategies often centers on long or undefined horizons, policy-sensitivity, sentiment, and cyclical drawdowns. As features that shape risk, these are warranted considerations that should be actively managed rather than assumed away. This is where selectivity and integrated research matter. Thematic universes contain both long-run winners and businesses with fragile economics. A disciplined, bottom-up approach supported by subject matter expertise is best positioned to distinguish between short-run volatility and structural shifts and identify businesses with a visible link from thematic drivers to cash-flow generation.

In our view, the role of thematics is to capture economy-reshaping forces and seek idiosyncratic alpha through careful stock selection. For long-term investors looking to diversify their portfolio, thematic strategies represent a core allocation that can support risk-adjusted returns.

Uniquely Rockefeller opportunities await.

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Sources:

1. BloombergNEF, Global Grid Investment Could Top \$470 Billion for the First Time in 2025, 2025
2. World Resources Institute, State of Climate Action, 2025
3. EY, Unlocking the Value of Nature-Based Solutions, 2023
4. McKinsey Global Institute, Dependency and depopulation?, 2025

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