

# CalPERS for California & California Initiative 2017

June 18, 2018



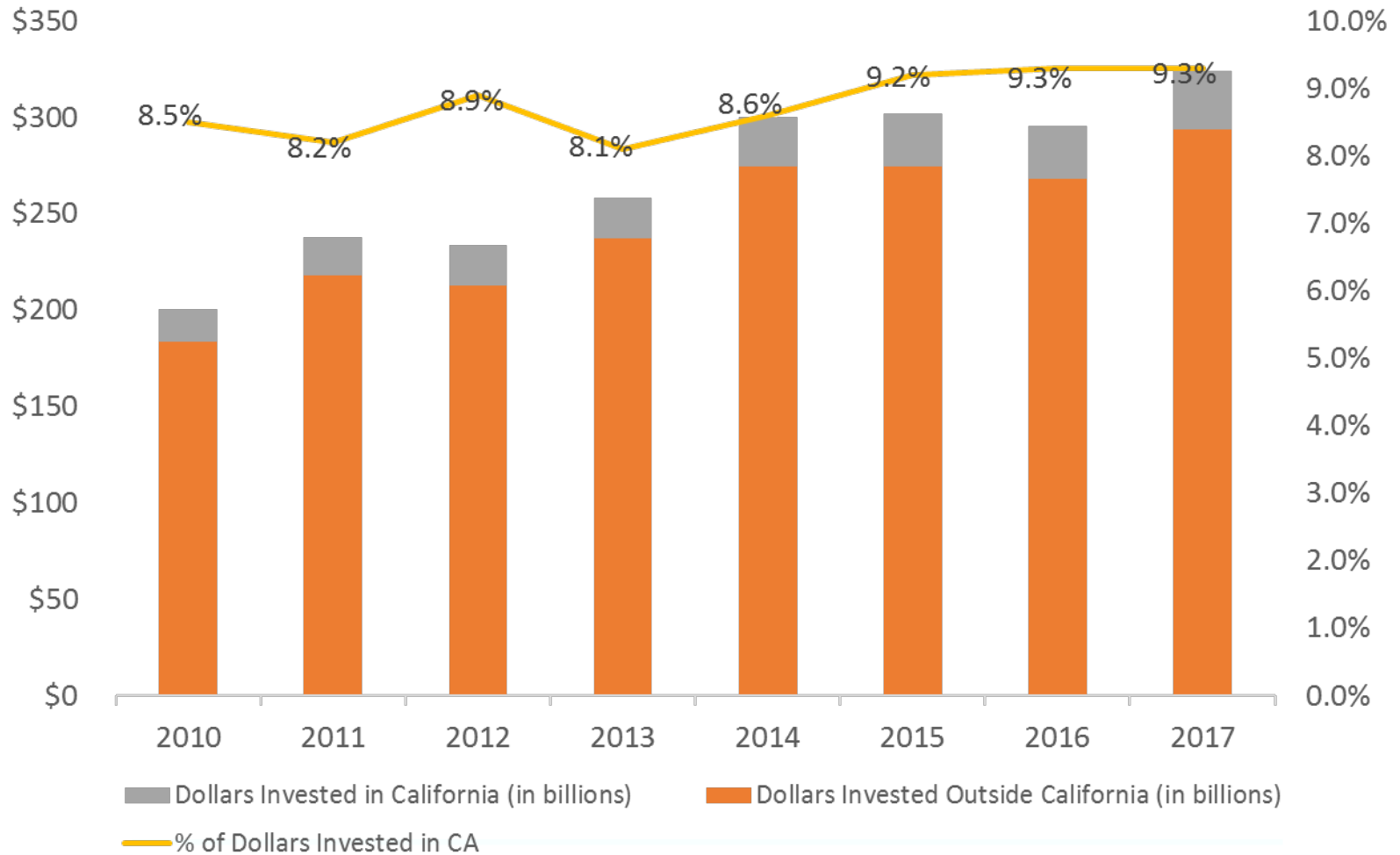
Investment Office  
Investment Manager Engagement Programs



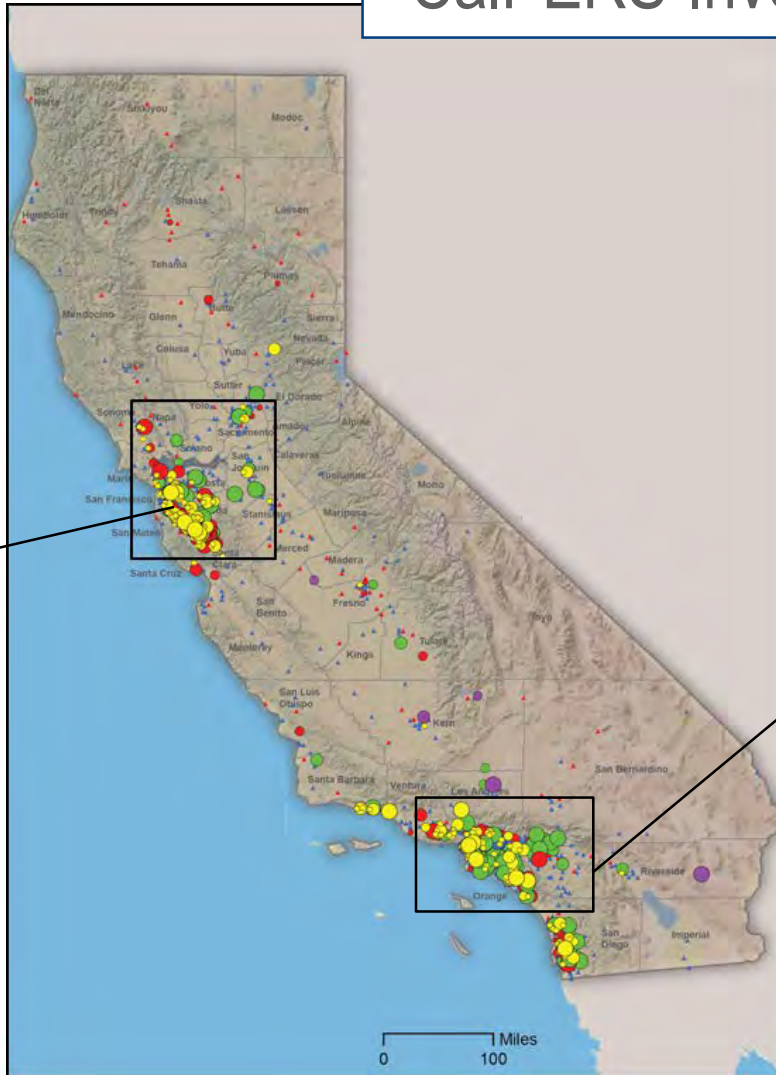
# CalPERS for California Report

- The primary objective of CalPERS' investments in California is to achieve an appropriate risk-adjusted return on investment.
- CalPERS California investments totaled \$30.1 billion or 9.3% of the Total Fund
- Over 266,200 jobs have been supported as a result of CalPERS' private asset class investments in California

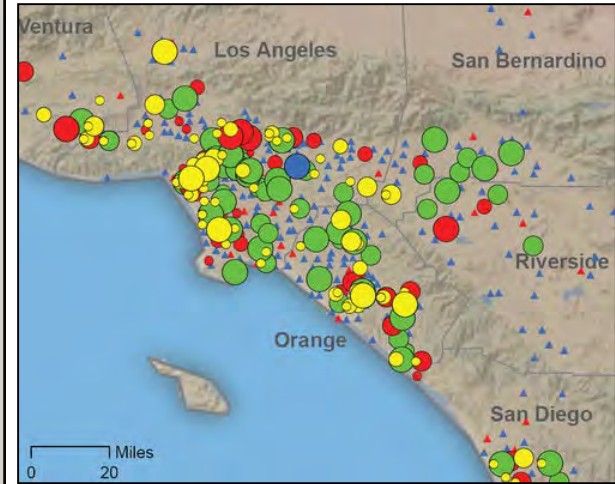
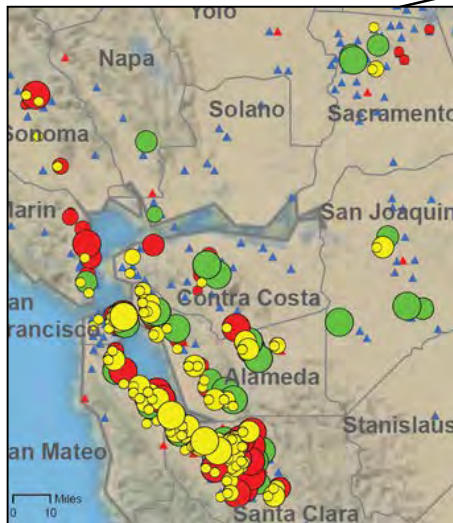
# CalPERS Investments in California



# CalPERS Investments in California



Bay Area



Greater Los Angeles

Asset Class	Investment Amount
Public Equity	< \$1 Million
Fixed Income	\$1.1 - 5 Million
Private Equity	\$5.1 - 25 Million
Real Estate	> \$25 Million
Infrastructure	Facility

# Private Equity's California Initiative

- Established in 2001, the CalPERS California Initiative has invested over \$1 billion in 569 companies, seeking:
  - Appropriate risk adjusted returns that meet or exceed industry benchmarks
  - To invest in traditionally underserved areas of California where opportunities may have been bypassed
- The California Initiative was designed to focus on investments in portfolio companies that:
  - Have historically had limited access to institutional equity capital
  - Employ workers who reside in economically disadvantaged areas
  - Provide employment opportunities to women and minority entrepreneurs and managers
- With few active CA Initiative companies remaining as active investments, leading to small amounts of data, the 2017 report represents the thirteenth and final examination of the California Initiative

# California Initiative Since Inception Results

Ancillary Benefits	The California Initiative's Impact
Create jobs and promote economic opportunity	<ul style="list-style-type: none"> <li>Created and sustained jobs within California and the nation through continued economic uncertainty, supporting 176,404 workers at all companies since inception</li> <li>Portfolio companies have provided high-quality jobs to employees, with benefit levels for health and retirement outpacing statewide and national levels.</li> </ul>
Invest in areas that have traditionally had limited access to equity capital	<ul style="list-style-type: none"> <li>Invested in areas of the state that have historically not received institutional equity capital, with an average of 16 percent of Phase I (2001) and 46 percent of Phase II (2006) dollars deployed in California allocated to companies located in these underserved markets.</li> </ul>
Employ workers living in economically disadvantaged areas	<ul style="list-style-type: none"> <li>Benefitted economically disadvantaged communities by employing a significant number of economically disadvantaged persons, with an average of 49 percent of Phase II portfolio company employees classified as low- to moderate-income</li> </ul>
Provide employment opportunities to women and minority managers	<ul style="list-style-type: none"> <li>Invested in portfolio companies that provide employment opportunities to women and minorities                             <ul style="list-style-type: none"> <li>Women and minorities are represented in California Initiative company leadership and management positions at levels that exceed national benchmarks</li> </ul> </li> </ul>