December 17, 2018

**Item Name:** Emerging and Transition Manager 2020 Plan Update  
**Program:** Investment Manager Engagement Programs  
**Item Type:** Information

**Executive Summary**  
A status report on the CalPERS Emerging and Transition Manager 2020 Plan.

**Strategic Plan**  
This item directly supports the CalPERS Strategic Plan goal to improve long-term pension and health benefit sustainability.

**Investment Beliefs**  
This update highlights recent work guided by Investment Belief 2, that a long-time investment horizon is a responsibility and an advantage; Investment Belief 3, that CalPERS’ investment decisions may reflect wider stakeholder views, provided they are consistent with its fiduciary duty; and the Sub-Belief of Investment Belief 10, Diversity of talent at all levels is important.

**Background**  
In July 2017, CalPERS began implementing the Emerging and Transition Manager 2020 Plan. This update describes progress against the Plan’s objectives.

**Analysis**  
CalPERS is on track to meet the six objectives stated in the 2020 Plan. Some highlights include:  
- Capital commitments to the Private Equity and Real Estate Emerging Manager Program  
- Evolved emerging manager program parameters  
- Ongoing searches for Transition Managers  
- Hosted the 5th annual Emerging, Transition, and Diverse Manager Day

**Budget and Fiscal Impacts**  
Not Applicable.
Benefits and Risks

The benefit of compiling the Emerging and Transition Manager 2020 Plan is to provide a framework and single source of transparency into the CalPERS emerging and transition investment strategies. An ancillary benefit of Emerging and Transition Manager Programs is increased diversity.

Attachments

Attachment 1 – Emerging and Transition Manager 2020 Plan Update

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Clinton Stevenson
Investment Director
Investment Manager Engagement Programs

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Eric Baggesen
Interim Chief Investment Officer