



Investment Committee

Agenda Item 8b

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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