

Review of CalPERS Private Equity Co-Investment Activities - Continued

May 13, 2019

Agenda

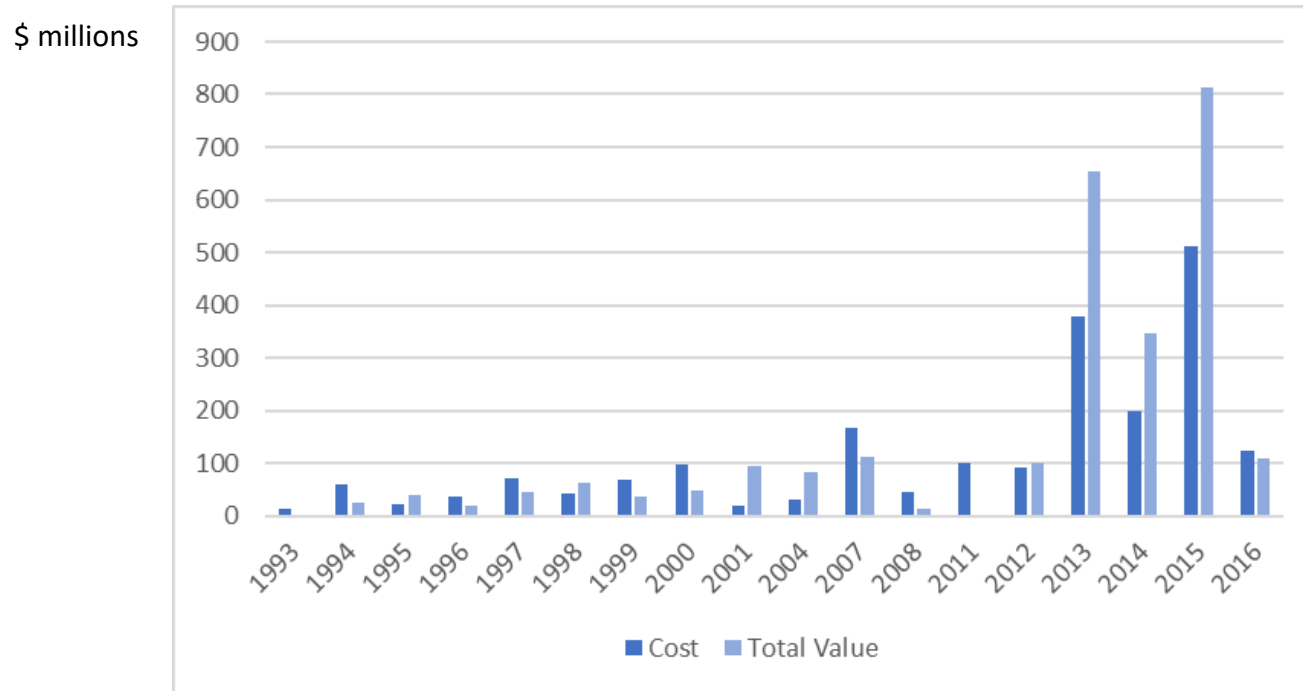
CalPERS Private Equity Co-Investment Overview

- History of CalPERS Co-Investments
- Performance of CalPERS Co-Investments
- Success Factors

History of CalPERS Co-Investments

- 1990s
 - CalPERS first co-investment was made in 1993
 - No systematic efforts, made one to two investments per year
- Early 2000s
 - In and out of the market, some years no co-investments were made
 - Opportunistic approach
- 2010s
 - Started a dedicated co-investment effort
 - Began to see better results
 - Program suspended in 2016

CalPERS Co-Investments by Vintage Year



Success Factors

- Long-term strategy with consistent commitment pace is essential for success.
- Steady deployment irrespective of market cycles is critical.
- Diversification of portfolio by vintage year, manager and industry is important.
- Important to partner with managers that have a track record of success in the sector.
- Credibility with GPs is enhanced by a methodical, quick and consistent process.