

Strategic Business Models for Private Equity Investing

May 17, 2018

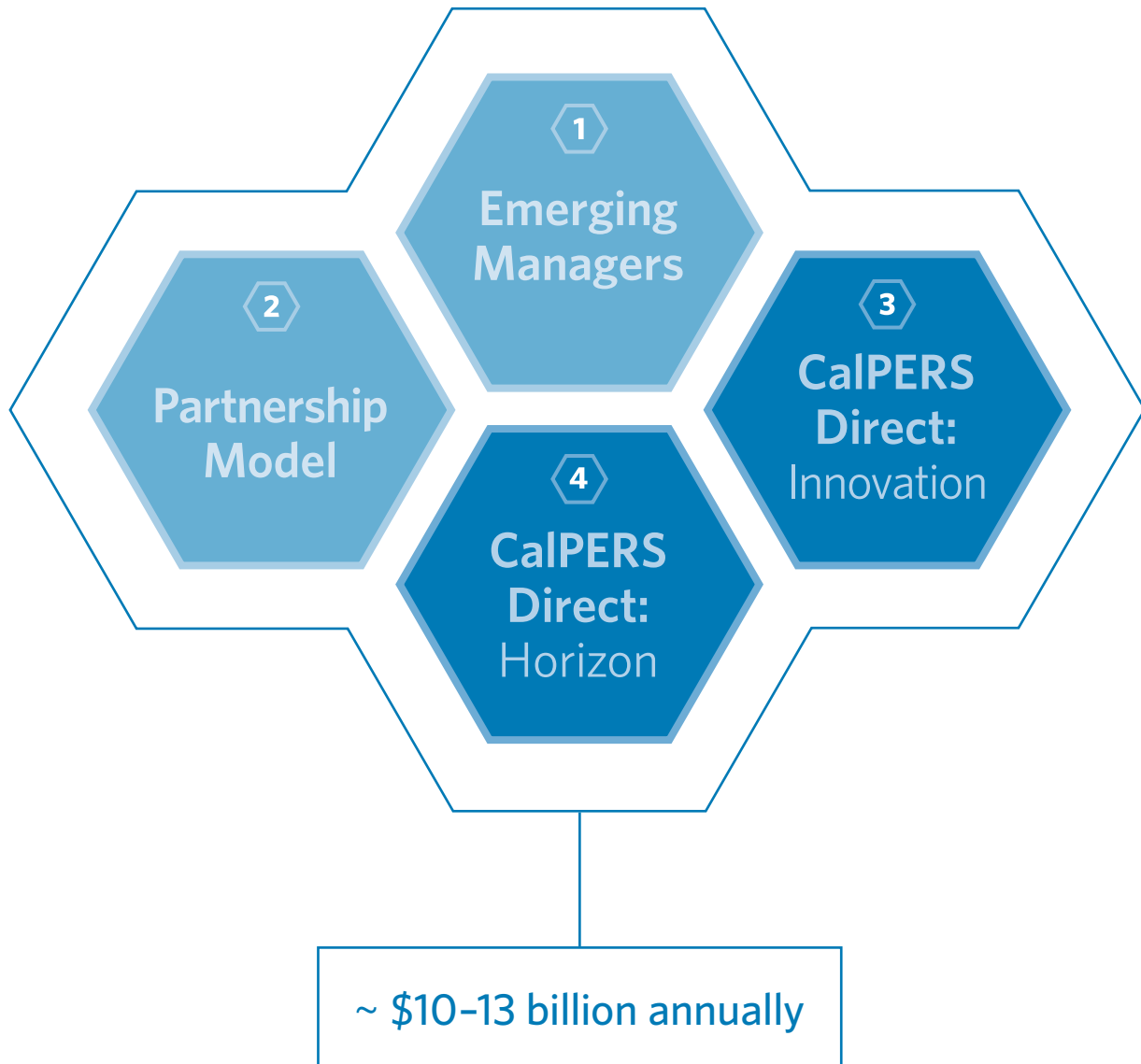
Purpose

To develop an enduring and innovative framework that is focused on CalPERS' mission and beliefs, good governance practices, and striving for optimal alignment of interests.

This framework is built with three key attributes in mind:

1. Adaptable as the industry evolves.
2. Invest in aggregate, both capably and continuously, at scale to maintain Private Equity at a material level (approximately 10% of Total Fund).
3. Focused on building a strong base of talent and relationships that will grow and strengthen over time.

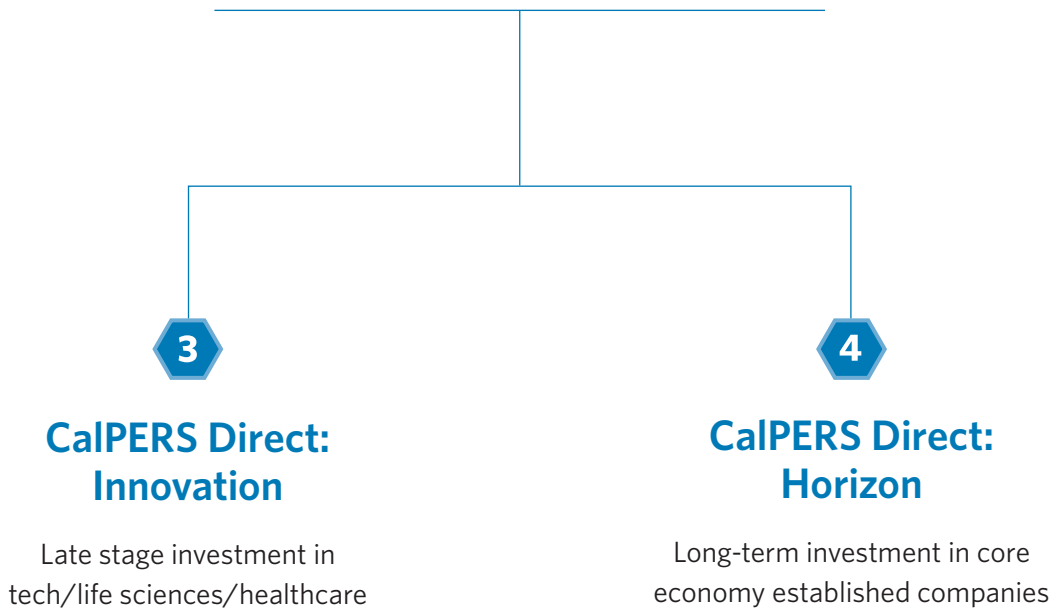
Private Equity Strategy Pillars



CalPERS Direct Structure

CalPERS Direct

Governed by a separate Board made up of members from subsidiary Boards and other independent Board members, to advise on allocation



Higher Returns Take Pressure Off Funded Ratio

