
Investment Committee Semi-Annual Activity Report

| 8. Private Equity

Fast Facts

Assets: \$46.3 billion (as of December 31, 2022)

PE Allocation as Percent of Total Portfolio as of December 31, 2022:

- Current: 15.4%
- Short/Long-term target: 13%
- Range: 10% to 16%

Benchmark:

- Short-term: CalSTRS Custom Private Equity Index
- Long-term: CalSTRS Custom MSCI ACWI IMI + 1.5%

New Commitments Six Months Ending December 31, 2022:

- Partnerships (8): \$1.2 billion
- Co-Investments (9): \$0.5 billion

Special Projects:

- Collaborative Model 2.0
- Liquidity Project
- Asset Class Partnerships

PE Risk Factors:

- Asset Price Discovery
- Denominator Effect
- Negative Net Cash Flow

Program Consultant and Advisers

PE Board Consultant:

Meketa Investment Group (MIG) is the consultant to the board for Private Equity. Key Contacts: Tad Fergusson and John Haggerty. meketa@meketa.com

Advisers:

Cambridge Associates is the program adviser for the Americas. Key Contacts: Andrea Auerbach, Kelly Jensen, and Christopher Farrington. calstrsteam@cambridgeassociates.com

Albourne is the program adviser for Asia, Europe, Middle East, and Africa. Key Contacts: Kelly Hata and David Low.

calstrs.team@albourne.com.

Since Inception (1988) Performance*

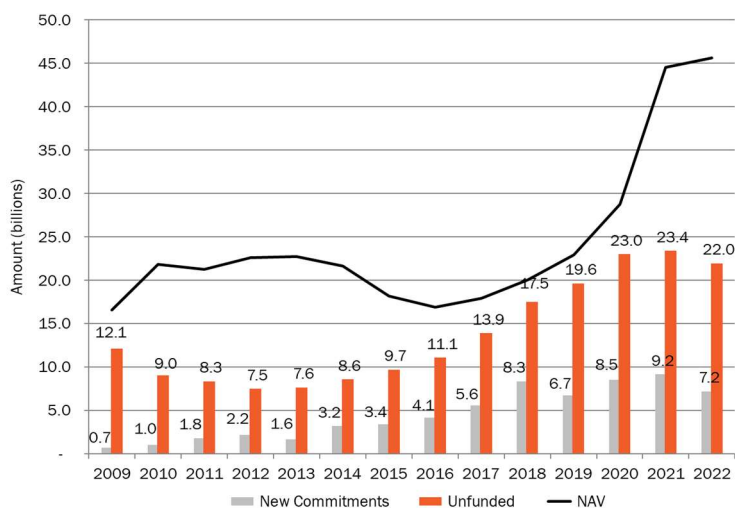
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|-------------------------------|--------|
| Commitments | \$103B |
| Distributions | \$85B |
| Contributions | \$82B |
| Total Gain | \$49B |
| Internal Rate of Return (IRR) | 14% |
| Total Value-to-Paid In (TVPI) | 1.6x |
| Distributed-to-Paid In (DPI) | 1.0x |

Private Equity Portfolio Metrics*

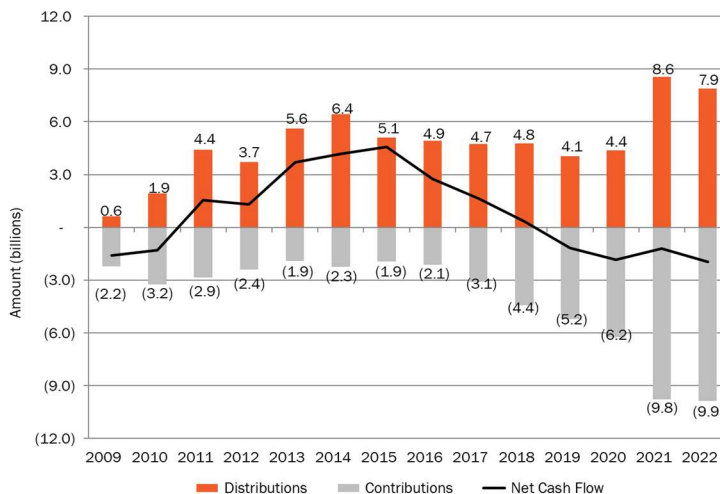
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|---|------|
| Number of Active Partnerships | 458 |
| Number of Managers | 120 |
| Number of Unique Portfolio Holdings | 7466 |
| Number of Countries Invested | 78 |
| Number of Active Co-Investments | 152 |
| Number of PE Staff | 28 |
| Avg. No. of Managers per Investment Staff | 6 |

*Data as of September 30, 2022

New Commitments, Unfunded & NAV (LTM September 30, 2022)



Distributions, Contributions & Net Cash Flow (LTM September 30, 2022)



Commitments Made Six Months Ending December 31, 2022 (In Millions):

| | Partnership Investment Name | Strategy | Geography | Commitment Size | |
|---|---|-------------------------------|----------------------|----------------------|--------------|
| 1 | Bessemer Venture Partners XII Venture capital fund investing in early and middle-stage technology and technology enabled companies. Fund size \$3.9B - closed July 2022. | Venture Capital | North America | \$30 | |
| 2 | Bessemer Venture Partners Forge I Buyout fund that targets lower-middle market software and technology enabled companies. Fund size \$800M - closed July 2022. | Buyout | North America | \$20 | |
| 3 | Spectrum Equity X Buyout fund that targets growth stage companies that have proven, scalable business models and exhibit high growth with recurring revenue and profitability. Fund size \$2B - closed July 2022. Re-up. | Buyout | North America | \$125 | |
| 4 | Apax XI Buyout fund that targets upper-mid and large buyouts across four core sectors: tech, consumer/internet, healthcare, and services on a global basis, including minority investments. Fund size \$13B - closed August 2022. Re-up. | Buyout | North America | \$150 | |
| 5 | ASF IX (Ardian) Buyout fund that targets secondary funds that are at least 50% funded. Fund size \$15B - closed August 2022. Re-up. | Buyout | North America | \$250 | |
| 6 | Ares Special Opportunities Fund II Debt Related fund that targets non-control investments in companies undergoing some type of dislocation, transformational change or distress. Fund size \$4B - closed September 2022. Re-up. | Debt Related | North America | \$100 | |
| 7 | Blackstone Tactical Opportunities IV (SMA) Multi-strategy fund that targets investments in aerospace and defense, digital infrastructure, enterprise software, gaming, healthcare, insurance, specialty finance, consumer services, and business services. Fund size \$4.5B - closed September 2022. Re-up. | Multi-Strategy | Global | \$250 | |
| 8 | HarbourVest Lower Middle Market Fund VII Special mandate fund that targets small and emerging buyout and growth equity funds. Fund size \$250M - closed September 2022. Re-up. | Special Mandate | North America | \$250 | |
| | Co-Investment Name | Sponsor | Sector | Geography | Size |
| 1 | Constellation 2022, L.P. | The Jordan Company | Industrials | North America | \$75 |
| 2 | Blackstone Aspen Co-Invest L.P. | Blackstone Core | Health Care | North America | \$75 |
| 3 | Summit Partners Co-Invest (Lions), L.P. (Follow-On) | Summit Partners | Health Care | North America | \$3 |
| 4 | CCOF Picard Co-Investment, L.P. | Carlyle | Software | North America | \$75 |
| 5 | Zephyr Partners I, L.P. | Hellman & Friedman | Software | North America | \$75 |
| 6 | NEA BH SPV, L.P. (Follow-On) | NEA | Health Care | North America | \$15 |
| 7 | Blackstone CHPE Co-Invest L.P. | Blackstone Energy | Utilities | North America | \$15 |
| 8 | Project Emerald | The Blackstone Group | Industrials | North America | \$150 |
| 9 | Impala SLP (SCSp) (Follow-On) | TA Associates | Software | Europe | \$0.2 |