Investment Recommendation

SERS Investment Office staff ("Staff") and SERS' Private Equity Consultant, StepStone Group, recommend that the State Employees' Retirement System Investment Committee interview SkyKnight Capital Partners ("SkyKnight" or the "Firm") at the June 9, 2026, Investment Committee Meeting to consider a potential commitment of up to (i) $65 million to SkyKnight Capital Fund V, L.P. ("Fund V" or the "Fund"), and (ii) $35 million to a co-investment sidecar vehicle (the "Sidecar"), subject to the satisfactory completion of legal due diligence and contract negotiations. This would be a new investment manager relationship for SERS. Fund V is targeting $1.5 billion of capital commitments with a $1.75 billion hard cap. The Fund is targeting a final close in July 2026.

Investment Rationale

Staff believes SkyKnight Fund V represents a strong candidate for a SERS capital commitment, as it offers:

- Access to a High Conviction Manager
- Highly Selective Sourcing in Attractive Niches
- Engaged Value Creation
- Opportunities for Co-Investment
- A Strong Portfolio Fit
- A Manager Committed to Responsible Investing, ESG, & Sustainability

Investment Risks & Mitigants

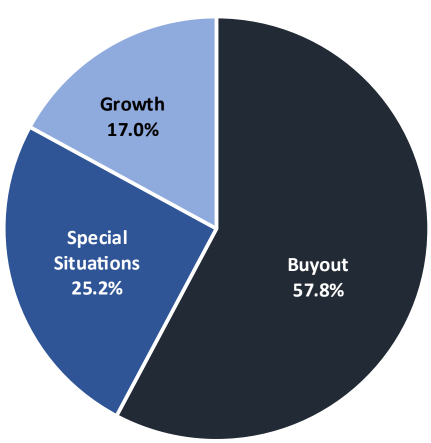
- Key Person Risk
- Limited Realizations
- Fund Size Increase / Team Capacity
- Litigation or Headline Risk
- Governance and Operational Risk

Portfolio Implications

A commitment to Fund V would be considered a 2026 vintage allocation to a fund that is categorized in the Private Equity asset class and Buyout sub-asset class. As of December 31, 2025, SERS' total allocation to Buyouts represented approximately 57.8% of the total Private Equity portfolio.

A commitment to Fund V is expected to increase the Private Equity sub-strategy exposure to Buyouts by approximately 0.6%.

SERS Core PE Sub-Strategy Allocation as of 12/31/2025



SERS Projected Core PE Sub-Strategy Allocation