

MEMORANDUM

To: Pennsylvania State Employees' Retirement System ("SERS") Board Members
From: StepStone Group ("StepStone")
Date: May 12, 2026
Re: Investment in SkyKnight Capital Partners V, LP

Recommendation

StepStone recommends that the State Employees' Retirement System Investment Committee approve a commitment of up to US\$65 million to SkyKnight Capital Partners V, LP ("SkyKnight V") and US\$35 million to a sidecar vehicle formed to co-invest in opportunities alongside SkyKnight V at the June 9th PA SERS Investment Committee meeting.

This recommendation is made solely within the context of Pennsylvania SERS' investment guidelines and is given solely for the benefit of Pennsylvania SERS.

Key investment highlights supporting the opportunity are as follows:

- Experienced Managing Partner with Deep Networks
- Attractive Relative Performance Across All Funds
- Proven Ability to Generate Liquidity

Overview

SkyKnight Capital Partners ("SkyKnight", the "Firm" or the "GP") is a private investments firm with offices in Burlingame, California, and New York, New York.

StepStone Due Diligence

StepStone's due diligence on the Fund was led by Natalie Walker, Jonathan True, Sam Marguleas, and David Lightbourn, and supported by StepStone's broader private equity team. The Fund was reviewed and approved by StepStone's Investment Committee considering the context of Pennsylvania SERS' private equity investment objectives. Key diligence items included:

- Consideration of portfolio fit within the Pennsylvania SERS Private Equity – Buyout portfolio, including a review of other available opportunities
- Meetings with the Firm's senior investment professionals
- A review of the Firm's strategy and track record, including a review of drivers of historical returns
- Detailed operational due diligence

Disclaimer

This recommendation is given solely for the benefit of Pennsylvania SERS and cannot be relied upon by other investors considering an investment in the Fund, since their needs, objectives and circumstances may not be the same as those of Pennsylvania SERS. The scope of this recommendation is limited to the investment thesis as previously outlined. StepStone does not provide legal or other non-related investment advice.

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