

## MEMORANDUM

**To:** Pennsylvania State Employees' Retirement System ("SERS") Board Members  
**From:** StepStone Group ("StepStone")  
**Date:** November 17, 2020  
**Re:** Investment in Providence Strategic Growth Europe L.P.

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### Recommendation

StepStone recommends that the State Employees' Retirement System Investment Committee approve a commitment of up to US\$75 million to Providence Strategic Growth Europe L.P. ("PSGE I" or the "Fund") at the December 1<sup>st</sup> 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 and Cohesive Senior Team
- Strong Global Brand
- Seasoned Primary Opportunity

### Overview

Providence Strategic Growth Europe ("PSGE" or the "Firm") is a London-based private equity firm.

### StepStone Due Diligence

StepStone's due diligence on PSGE I was led by Michael Cronin (Partner), Philip Meschke (Senior Associate) and Alexander Napier (Associate), 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 – Venture Capital 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

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