

## MEMORANDUM

**To:** Pennsylvania State Employees' Retirement System ("SERS") Board Members  
**From:** StepStone Group ("StepStone")  
**Date:** April 13, 2021  
**Re:** Investment in PSG V L.P.

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### Recommendation

StepStone recommends that the State Employees' Retirement System Investment Committee approve a commitment of up to US\$50 million to PSG V L.P. (the "Fund") at the April 27<sup>th</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, Cohesive and Motivated Team
- Consistent Strong Fund Performance

### Overview

Providence Strategic Growth invests in growth-stage software businesses with offices in Boston, MA, Kansas City, MO and London, England.

### StepStone Due Diligence

StepStone's due diligence on the Fund was led by Brian Borton (Partner), Greg Wallem (Principal) and Sohail Qazi (Analyst), 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 – Growth Equity 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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