

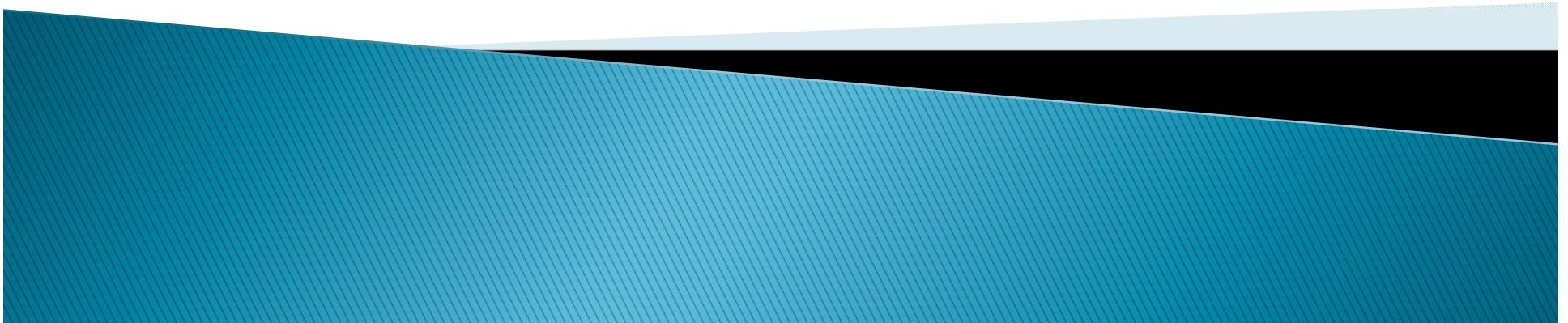
# **3Q2015 IAC Meeting Materials**

**IAC Meeting – November 17, 2015**

**Alternative Investments Program Presentation**



# Alternative Investments Program Recommendations



# KKR Americas Fund XII, L.P.

- ▶ Founded in 1976
- ▶ \$65 billion invested across nineteen prior Private Equity funds\*
- ▶ Investment Strategy
  - Seek control investments in industry-leading businesses
  - Value creation
  - Global resource platform

\*As of June 2015

# KKR Americas Fund XII, L.P.

- ▶ The SBI has invested in seven prior KKR Funds
- ▶ Stable, deep, and experienced team
- ▶ Strong track record
- ▶ Staff recommends a commitment of up to \$150 million to KKR Americas Fund XII



# Advent International GPE VIII, L.P.

- ▶ Founded in 1984
- ▶ Invested over \$21 billion across seven prior funds\*
- ▶ Investment strategy
  - Seek control-oriented investments in well-positioned companies
  - Operationally intensive investing
  - Focus on developed markets

\*As of June 2015

# Advent International GPE VIII, L.P.

- ▶ The SBI has invested in two prior Advent Funds
- ▶ Stable, deep, and experienced team
- ▶ Strong track record
- ▶ Staff is recommending a commitment of up to \$100 million to Advent International GPE VIII



# Merit Mezzanine Fund VI, L.P.

- Firm has managed five prior mezzanine funds (Funds I – III as part of William Blair)
- Target lower-middle market companies
- Focus on non-traditional mezzanine market
  - Typically no Private Equity sponsor involvement
  - Merit generally lead investor, controls transaction terms and capital structure
  - Higher equity ownership than traditional mezzanine funds



# Merit Mezzanine Fund VI, L.P.

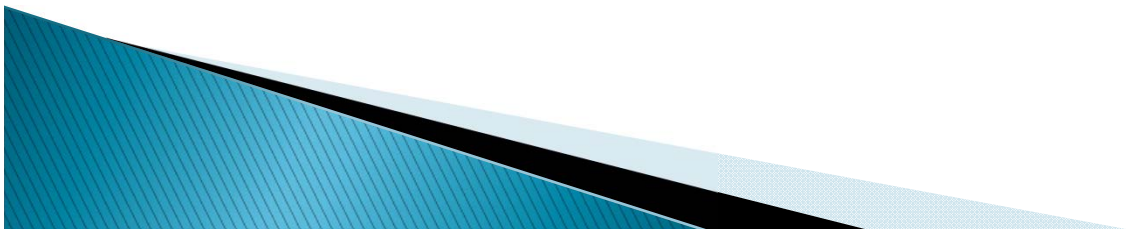
- SBI has invested in Funds III, IV and V
- Strategy is differentiated from other SBI mezzanine investments
- Long-tenured, experienced team
- Good performance
- Staff is recommending a commitment of up to \$100 million to Merit Mezzanine Fund VI





# Energy & Minerals Group Fund IV, L.P.

- ▶ Founded by John Raymond and John Calvert in 2006
- ▶ \$11.4 billion committed to 26 portfolio companies since 2006
- ▶ EMG invests across the natural resources industry
  - Energy, Metals & Mining
    - Particular focus on oil & gas, steel inputs, platinum group metals
    - Both upstream and midstream
  - Global mandate includes North America, U.K., Australia and South Africa
  - Emphasis on being low-cost, high quality supplier in strategic locations



# Energy & Minerals Group Fund IV, L.P.

- SBI has invested in all three prior EMG Funds
- Opportunistic strategy provides diversified resource exposure
- Strong track record
- Staff recommends a commitment of up to \$150 million to EMG IV



# Madison Dearborn Capital Partners VII

- Founded in 1993 in Chicago
- \$16.7 million invested in 129 companies over 6 prior funds
- Middle and upper-middle market focus in the U.S.
- Mix of buyout and growth equity
- Organized by sector
- Uniquely positioned as a leading Midwestern Private Equity firm



# Madison Dearborn Capital Partners VI

- SBI has not previously invested with Madison Dearborn Partners
- Stable, experienced team
- Good track record, strong relative results
- Staff recommends a commitment of up to \$100 million to Madison Dearborn VI

