



Hamilton Lane

# **Santa Barbara County Employees' Retirement System**

First Quarter 2023 PE Performance Update

# Agenda

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# Q1 Private Equity Performance

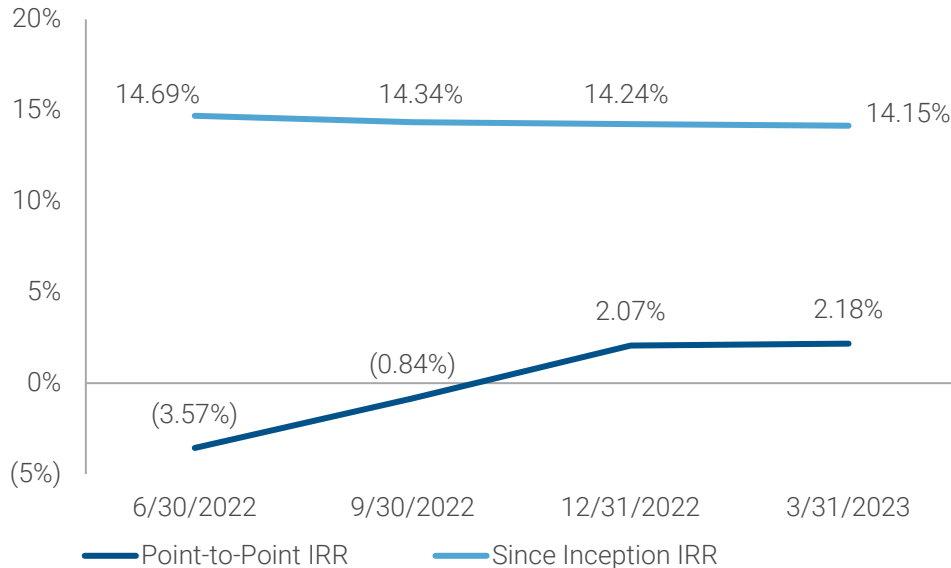


# PE Portfolio Highlights – March 31, 2023

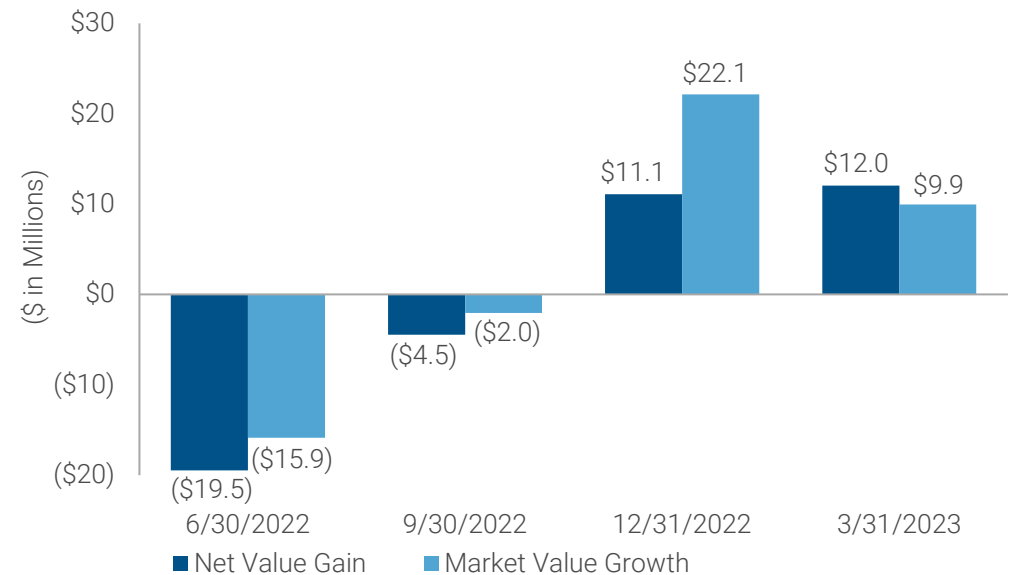
## Performance

- Net value increased \$12.0M in 1Q23 as markets rebounded
  - Since inception performance declined 9 bps during the quarter but continues to perform above pre-COVID levels
  - Outperforming SBCERS' public benchmark (Russell 3000 + 300 bps) by 178 bps on a since inception basis
- Generated relatively flat performance for the one-year period with an IRR of (0.15%)

## PE Portfolio Returns



## PE Portfolio Value Created



# Portfolio Snapshot

Portfolio Snapshot			
\$ millions	12/31/2022	3/31/2023	Change
Active Partnerships	95	98	3
Active GP Relationships	41	41	-
Capital Committed <sup>1</sup>	\$904.1	\$934.6	\$30.5
Unfunded Commitment	\$260.8	\$274.7	\$13.9
Capital Contributed	\$757.9	\$776.1	\$18.1
Capital Distributed	\$676.1	\$696.3	\$20.2
D/PI	0.9x	0.9x	-
Market Value	\$550.1	\$560.0	\$9.9
Total Value Multiple	1.6x	1.6x	0.1x
Since Inception IRR	14.24%	14.15%	(9 bps)
Active Avg Age of Commitments	6.5 years	6.6 years	0.1 years

<sup>1</sup>The change in capital committed reflects the new commitments made during the quarter as well as currency fluctuations.

- Generated gains in two of the prior four quarters
- Portfolio generated cash return of \$65.5M during one-year period
  - Net value decrease of \$0.8M over the one-year period
  - One-year IRR of (0.15%)

## Q1 2023: Continued positive performance from prior quarter

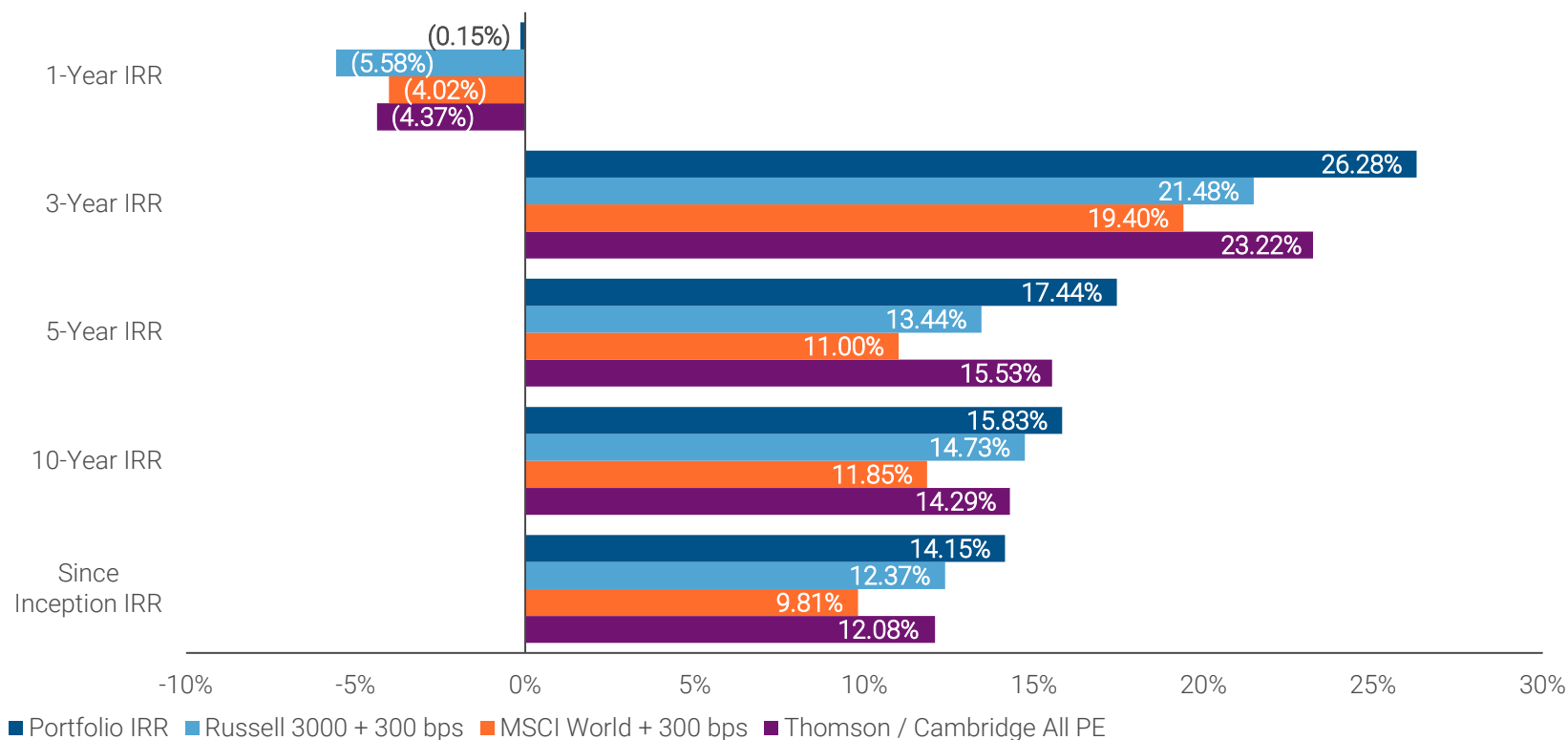
- Net value increased \$12.0M during Q1
- Distributions of \$20.2M in Q1
- Quarterly IRR of 2.18%
- Market value increased 2% during Q1

Portfolio Summary					
	Quarter Ending				Year Ended
in \$ millions	6/30/2022	9/30/2022	12/31/2022	3/31/2023	3/31/2023
Beginning Market Value	\$545.9	\$530.0	\$528.0	\$550.1	\$545.9
Paid-in Capital	\$18.0	\$18.0	\$26.4	\$18.1	\$80.5
Distributions	(\$14.4)	(\$15.6)	(\$15.3)	(\$20.2)	(\$65.5)
<b>Net Value Change</b>	<b>(\$19.5)</b>	<b>(\$4.5)</b>	<b>\$11.1</b>	<b>\$12.0</b>	<b>(\$0.8)</b>
Ending Market Value	\$530.0	\$528.0	\$550.1	\$560.0	\$560.0
<b>Unfunded Commitments</b>	<b>\$288.2</b>	<b>\$275.3</b>	<b>\$260.8</b>	<b>\$274.7</b>	<b>\$274.7</b>
Total Exposure	818.2	803.3	810.9	834.7	834.7
Point-to-Point IRR	(3.57%)	(0.84%)	2.07%	2.18%	(0.15%)
Since Inception IRR	14.69%	14.34%	14.24%	14.15%	14.15%

# Performance Summary

## Portfolio is outperforming public and peer benchmarks across all time periods

As of March 31, 2023



- Portfolio generated double-digit performance across all long-term time periods
- Portfolio outperforming Thomson/Cambridge All PE benchmark across all time periods
- Since inception, Portfolio outperformed designated public benchmark by 178 bps

Note: Benchmarks calculated via straight return methodology

Note: Since inception represents first cash flow date of 6/22/2006

# Commitment Activity

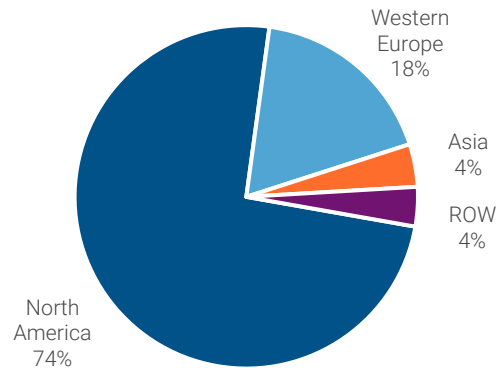
2023 Commitment Activity				
Closing Date	Partnership	Investment Strategy	Geographic Focus	Commitment (\$mil)
2023 Allocation				
1/12/2023	GTCR Fund XIV, L.P.	Large Buyout	North America	\$10.0
1/31/2023	STG VII, L.P.	Mid Buyout	North America	\$10.0
3/31/2023	Hellman & Friedman Capital Partners XI, L.P.	Mega Buyout	North America	\$10.0
5/5/2023	CVC Capital Partners IX, L.P.	Mega Buyout	Western Europe	\$10.0
5/31/2023	Kohlberg Investors X, L.P.	Large Buyout	North America	\$10.0
6/30/2023	KPS Special Situations Fund VI, L.P.	Large Buyout	North America	\$10.0
2023 Total				\$60.0

- Targeting commitments of \$65M-\$85M in 2023
  - Six investments closed for a total of \$60M committed
  - All six commitments represent existing manager relationships

# Portfolio Diversification

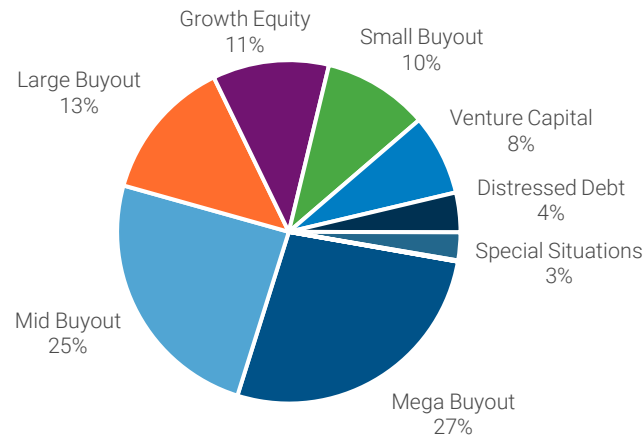
## Underlying Investment Diversification\* by Geography

As of March 31, 2023



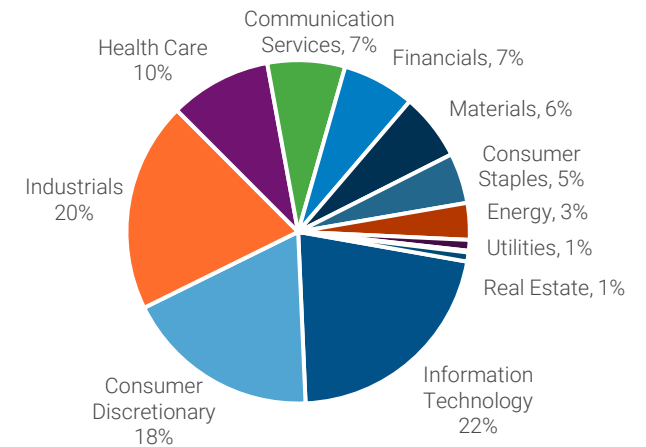
## Strategic Diversification by Total Exposure

As of March 31, 2023



## Underlying Investment Diversification\* by Industry

As of March 31, 2023



- Portfolio is prudently diversified by strategy, geography and sector
- Buyout represents 75% of total exposure and is well diversified by size
- Geography diversification holding steady with continued weighting toward North America
- Information Technology, Industrials, and Consumer Discretionary continue to represent the largest industry exposures
- Information Technology exposure increased 1% quarter-over-quarter and Industrials exposure decreased 1%

\*FoF Holdings represent 9% of the total underlying investment exposure





# Deal Review

Kohlberg Investors X, L.P.  
KPS Special Situations Fund VI, L.P.

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# Kohlberg Investors X, L.P.

Firm Inception	1987
Fund Size	\$5.5 billion
Strategy	Large Buyout
Geography	North America
Team	27 investment professionals
Industries	Diversified
Equity Investments	\$200 million to \$600 million

Kohlberg & Co., L.L.C Prior Investment Performance <sup>1</sup> As of 9/30/2022								
(Fund)	Vintage	Fund Size (\$mm)	Capital Drawn (\$mm)	Capital Distributed (\$mm)	NAV	DPI	TVPI	Net IRR
Fund VI	2007	\$1,553	\$1,368.9	\$2,2376.7	\$2.7	1.7x	1.7x	16.2%
Fund VII	2012	1,597	1,657.1	2,737.3	0.0	1.7x	1.7x	15.9%
Fund VIII	2017	2,232	2,221.7	1,460.8	2,541.6	0.7x	1.8x	22.9%
Fund IX	2020	3,353	2,048.8	94.0	2,525.8	0.0x	1.3x	33.6%
<b>Total</b>			<b>\$7,296.5</b>	<b>\$6,668.8</b>	<b>\$5,070.0</b>	<b>0.9x</b>	<b>1.6x</b>	<b>17.7%</b>

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and excludes any cash flows from the General Partner's commitment

## Approach

- Seeks to invest in U.S. based, services-oriented businesses that have healthy cash flow margins and are not capital intensive
- Targets six core areas: pharmaceutical/medical products & services, infrastructure services, business services, financial & information services, healthcare services and food & consumer
- Intends to construct a diversified portfolio of approximately 14 companies with equity checks typically ranging from \$200 million to \$600 million
- Targets majority control investments to leverage the expertise of its investment professionals and Operating Partners to develop and implement value creation initiatives
- Seeks board level representation across all investments

## Key Features

- Highly experienced and cohesive senior team, averaging 23 years of industry experience and 19 years tenure
- Maintains a team of nine in-house Operating Partners who assist in sourcing, strategic planning & implementation and board representation
- Sourcing process allows it to develop a deeper focus within each core vertical and identify attractive subsectors
- Generated top half returns across all metrics in the past four funds
- Refined strategy and focus on capital preservation has led to consistent returns

On behalf of SBCERS', Hamilton Lane approved a \$10.0 million commitment to Kohlberg Investors X, L.P.

# KPS Special Situations Fund VI, L.P.

Firm Inception	1997
Fund Size	\$10.0 billion
Strategy	Large Buyout
Geography	Primarily North America and opportunistically Western Europe
Team	29 investment professionals
Industries	Industrials, materials and consumer
Equity Investments	Greater than \$500 million

KPS Capital Partners, LP Prior Investment Performance <sup>1</sup> As of 12/31/2022								
(\$mm) Fund	Vintage	Fund Size	Capital Drawn	Capital Distributed	NAV	DPI	TVPI	Net IRR
Fund III	2007	\$1,204	\$1,149.5	\$2,384.9	\$2.6	2.1x	2.1x	23.5%
Fund IIIS	2009	800	751.6	1,607.6	2.6	2.1x	2.1x	23.0%
Fund IV	2014	3,571	3,133.0	3,221.2	3,254.2	1.0x	2.1x	25.0%
Fund V	2020	6,122	3,361.9	276.5	4,755.1	0.1x	1.5x	31.0%
<b>Total</b>			<b>\$8,395.9</b>	<b>\$7,490.3</b>	<b>\$8,014.6</b>	<b>0.9x</b>	<b>1.8x</b>	<b>24.3%</b>

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and excludes any cash flows from the General Partner's commitment

On behalf of SBCERS', Hamilton Lane approved a \$10.0 million commitment to KPS Special Situations Fund VI, L.P.

## Approach

- Targets underperforming businesses, corporate carve-outs or other companies facing complex situations within the specialty manufacturing space, an opportunity set in which the team has developed deep expertise
- Intends to take an opportunistic approach to construct a diversified portfolio of approximately 8 to 12 companies with equity checks greater than \$500 million
- Exclusively invests as a lead, control-oriented investor and has developed a repeatable value creation playbook focused on initially stabilizing businesses through professionalization and margin improvements and subsequently growing businesses through product-enhancement, strategic repositioning, cost rationalizations and add-on acquisitions
- Remains disciplined deploying capital, taking an opportunistic approach and comprehensively analyzing each investment opportunity to ensure it meets its strict investment criteria and return threshold

## Key Features

- Experienced and cohesive Partner group, averaging over 24 years of relevant experience and over 21 years of tenure
- Investment professionals are sector agnostic and work across the industrials, consumer and materials spaces, areas in which the senior team has deep expertise
- Strong brand as a turnaround investor given historic success, transactional expertise and value creation capabilities have positioned it as an acquirer of choice and further contributed to inbound deal flow at attractive prices
- Strong working relationships with several prominent labor unions, has provided a unique advantage when acquiring businesses and further differentiating it from peers
- Generated consistent, attractive net returns, achieving top quartile net IRR performance across all prior funds, as of 12/31/22, despite charging premium economics



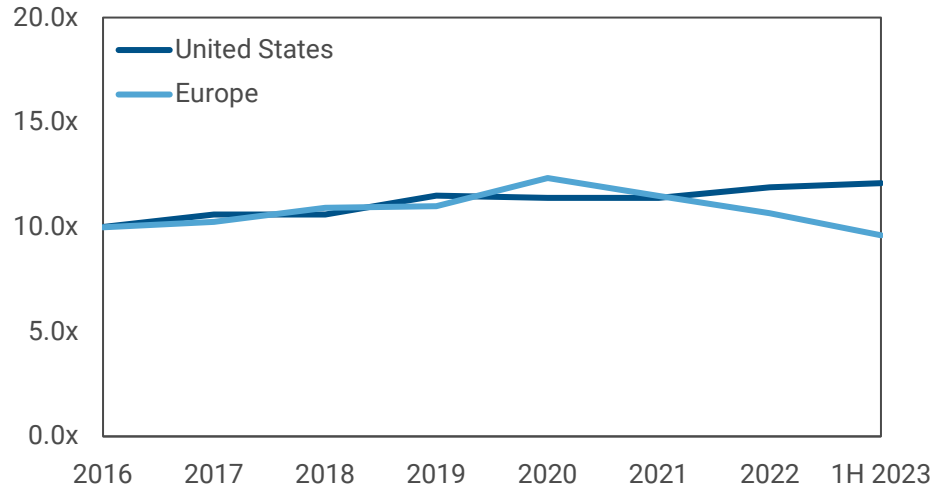
# Appendix



# Private Market Trends

## Purchase Price Multiples

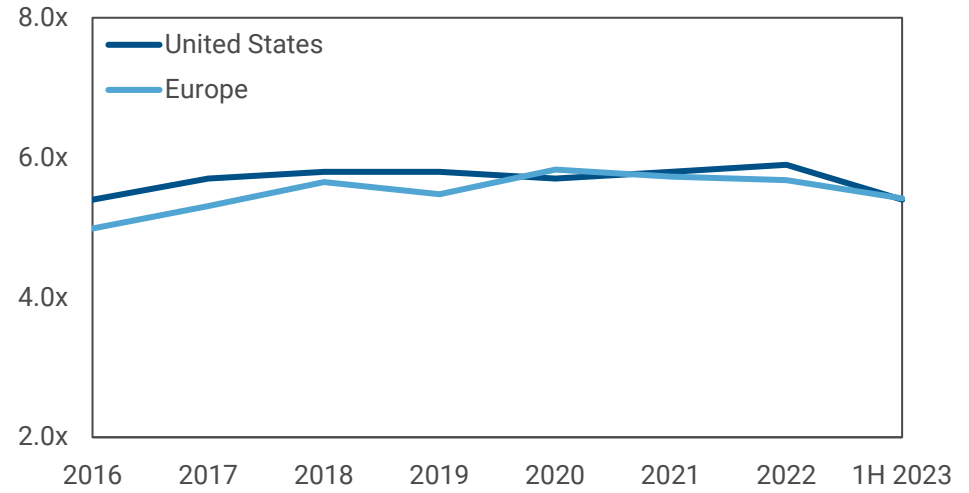
EV/EBITDA



Source: S&P LCD M&A Stats, European LBO Report (August 2023)

## Leverage Multiples

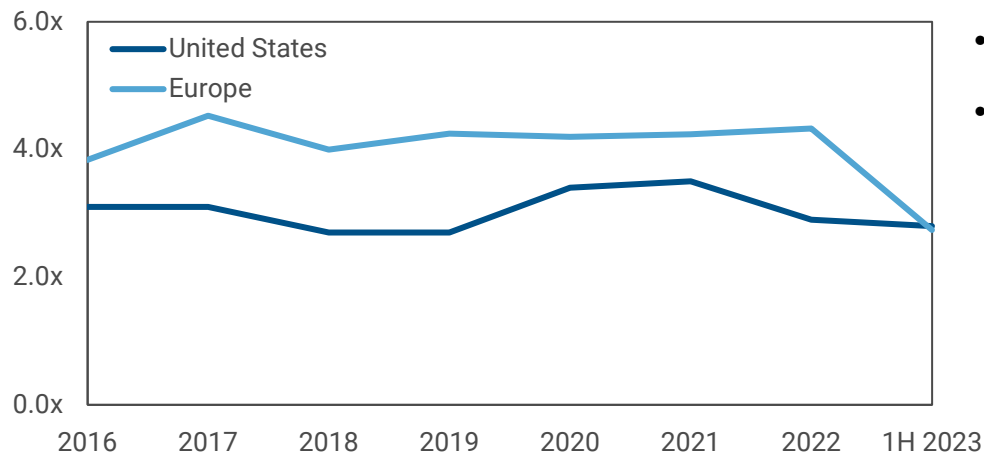
Net Debt/EBITDA



Source: S&P LCD M&A Stats, European LBO Report (August 2023)

## Coverage Ratios

EBITDA / Cash Interest Expense



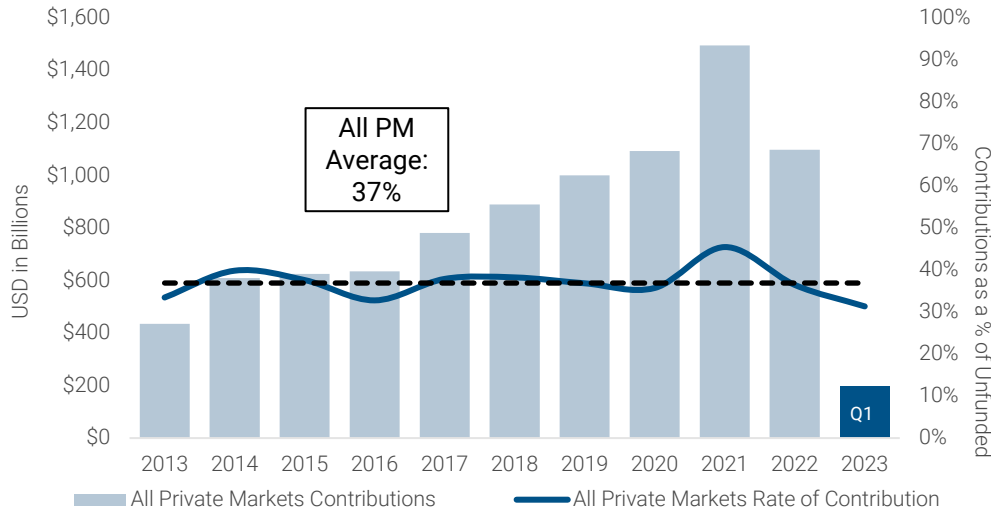
Source: S&P LCD M&A Stats, European LBO Report (August 2023)

- Pricing for new private equity deals remained elevated, despite falling public market valuations
- Leverage multiples remain at consistent levels with little variation between US and European markets
- Coverage ratios in the United States declined, likely due to interest rate hikes

# Private Markets Activity

## Rate of Contribution

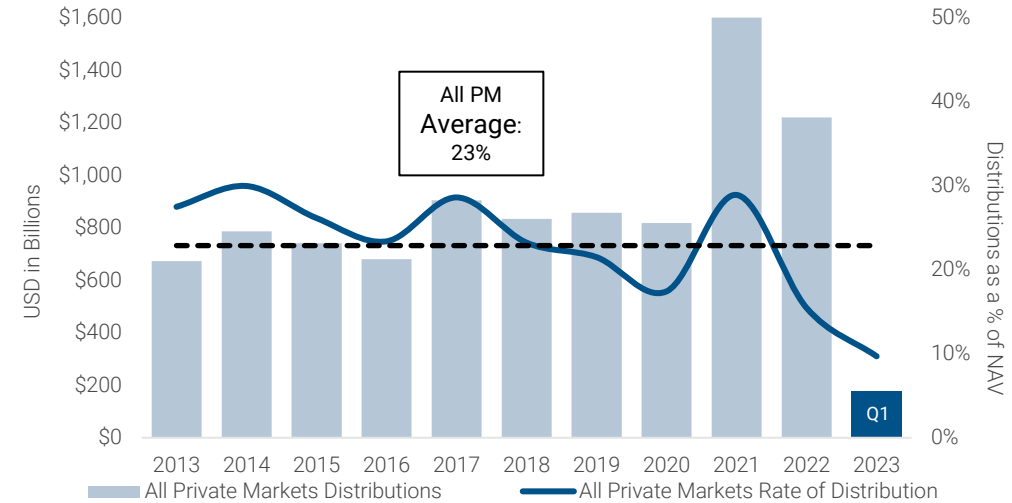
Annual Contributions as % of Unfunded



Source: Hamilton Lane Data via Cobalt (May 2023)

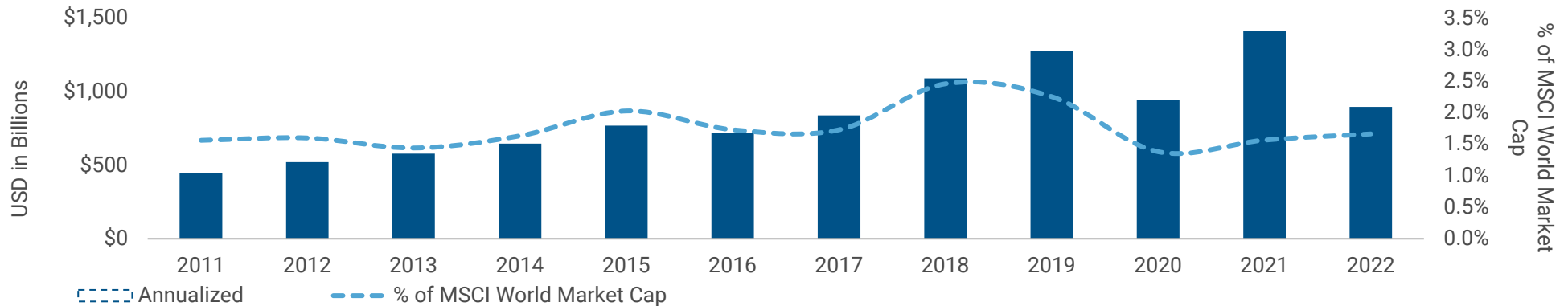
## Rate of Distribution

Annual Distributions as % of NAV



Source: Hamilton Lane Data via Cobalt (May 2023)

## Global Private Markets Fundraising



Source: Hamilton Lane Data, Cobalt, Pitchbook, Bloomberg (May 2023)

- 2022 contribution activity fell relative to record highs in 2021 and returned to 2020 levels
- Activity began to slow in 2H2022 and initial 2023 contribution activity indicates a further slowdown
- 2022 fundraising is expected to recede to 2020 levels, driven by market volatility and overallocation from record valuations and activity in 2021

# Performance Summary by Investment

## Santa Barbara County Employees' Retirement System Portfolio Performance Summary by Investment as of March 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR <sup>1</sup>
Actis Global 4, L.P.	2012	Mid Buyout	\$7,500,000	\$8,994,573	\$7,575,791	\$4,084,000	6.39%
Advent International GPE IX, L.P.	2019	Mega Buyout	10,000,000	9,100,641	999,600	12,567,668	24.41%
Advent International GPE VIII-B, L.P.	2016	Mega Buyout	8,500,000	8,500,000	6,210,313	10,920,904	18.56%
Advent International GPE X Limited Partnership	2022	Mega Buyout	10,000,000	750,000	-	612,892	(26.95%)
American Securities Partners VII, L.P.	2016	Large Buyout	10,000,000	9,796,305	5,155,528	13,633,892	16.15%
American Securities Partners VIII, L.P.	2019	Large Buyout	10,000,000	8,928,618	373,329	12,689,984	24.19%
Apollo European Principal Finance Fund (Feeder), L.P.	2010	Distressed Debt	7,478,099	10,817,701	14,748,525	16,557	20.36%
Apollo Investment Fund IX, L.P.	2018	Mega Buyout	10,000,000	8,729,900	3,111,567	9,581,826	24.45%
Apollo Investment Fund VII, L.P.	2008	Mega Buyout	10,000,000	12,229,948	21,264,858	113,001	22.55%
Apollo Investment Fund VIII, L.P.	2013	Mega Buyout	10,000,000	9,817,681	10,861,141	3,720,261	10.02%
AS Birch Grove Opportunities Fund, L.P. (fka Ascribe IV)	2020	Distressed Debt	12,750,000	13,143,773	2,744,967	11,133,696	9.17%
Ascribe Opportunities Fund II, L.P.	2010	Distressed Debt	10,000,000	26,346,888	26,888,267	881,528	3.27%
Ascribe Opportunities Fund III, L.P.	2014	Distressed Debt	10,000,000	17,649,944	14,801,594	258,683	(18.70%)
Avenue Europe Special Situations Fund II, L.P. (Euro)	2011	Distressed Debt	6,975,727	6,979,963	7,882,765	-	3.25%
Avenue Europe Special Situations Fund, L.P.	2008	Distressed Debt	3,195,310	4,213,531	6,295,345	-	15.96%
BCP Special Opportunities Fund II, L.P.	2020	Special Situations	10,000,000	8,383,373	1,056,374	8,918,042	8.62%
Blackstone Capital Partners VII, L.P.	2016	Mega Buyout	10,000,000	10,528,274	6,439,030	10,000,093	14.06%
Blackstone Capital Partners VIII, L.P.	2020	Mega Buyout	10,000,000	5,590,525	334,016	6,260,520	14.18%
Blackstone Energy Partners II, L.P.	2015	Large Buyout	10,000,000	10,526,467	6,155,725	8,609,861	8.37%
Blackstone Energy Partners, L.P.	2011	Mid Buyout	10,000,000	11,347,958	16,019,705	2,186,567	11.57%
Bridgepoint Development Capital IV, L.P.	2021	Mid Buyout	9,809,383	3,163,333	-	2,982,143	(13.12%)
Cinven Seventh Fund	2019	Mega Buyout	8,528,624	5,921,483	-	7,481,674	17.24%
CVC Capital Partners VI, L.P.	2013	Mega Buyout	10,223,433	9,632,618	10,679,013	8,917,714	17.31%
CVC Capital Partners VII, L.P.	2017	Mega Buyout	10,989,111	10,239,631	2,689,601	15,133,818	23.59%
CVC Capital Partners VIII, L.P.	2021	Mega Buyout	9,842,361	5,618,940	6,287	6,100,044	11.47%

<sup>1</sup> The IRR net of Hamilton Lane fees is 13.67%

\* The analysis was completed using available information provided by the general partner of each investment, unless otherwise noticed. Cash flows are representative of SBCERS' actual cash paid and received. Market values reflect SBCERS' unrealized interest in each investment. The IRRs are representative of SBCERS' return to date and not the IRR reported by the general partner.

Note: Total includes a \$5.0 million commitment to American Securities Partners VI, L.P.

# Performance Summary by Investment

## Santa Barbara County Employees' Retirement System Portfolio Performance Summary by Investment as of March 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR <sup>1</sup>
CVC European Equity Partners V, L.P.	2008	Mega Buyout	\$9,406,395	\$9,704,818	\$19,585,985	\$191,664	16.52%
Energy Capital Partners II, L.P.	2009	Large Buyout	10,000,000	10,141,275	13,271,472	-	8.73%
Energy Capital Partners III, L.P.	2014	Large Buyout	7,500,000	8,988,424	11,275,246	1,914,150	10.79%
Enhanced Equity Fund II, L.P.	2010	Small Buyout	5,000,000	4,827,766	2,669,958	-	(21.65%)
First Reserve Fund XII, L.P.	2008	Mega Buyout	10,000,000	11,295,299	6,000,780	9,325	(17.79%)
First Reserve Legacy Opportunities Fund, L.P.	2022	Mega Buyout	70,736	65,040	9,305	311,785	415.24%
FSN Capital VI, L.P.	2021	Mid Buyout	9,040,202	5,732,977	809	5,957,121	4.43%
Gilde Buyout Fund IV L.P.	2011	Small Buyout	4,345,032	4,447,661	7,128,203	374,496	10.99%
Gridiron Capital Fund II, L.P.	2012	Small Buyout	10,000,000	10,450,649	16,526,045	2,048,408	13.16%
Gridiron Capital Fund III, L.P.	2015	Small Buyout	10,000,000	9,409,765	26,825,976	25,824,709	50.60%
Gridiron Capital Fund IV, L.P.	2019	Mid Buyout	10,000,000	10,030,389	1,040,361	17,290,767	36.56%
Gridiron Capital Fund V, L.P.	2022	Mid Buyout	10,000,000	1,449,134	-	1,208,643	N/A
GTCR Fund XIII, L.P.	2020	Large Buyout	10,000,000	5,114,551	1,089,382	4,850,923	21.10%
GTCR Fund XIV LP	2023	Large Buyout	10,000,000	-	-	-	-
Hamilton Lane Venture Capital Fund, L.P. (Series 2010)	2010	Venture Capital	3,850,000	3,826,164	5,245,844	3,963,257	13.55%
Hamilton Lane Venture Capital Fund, L.P. (Series 2011)	2011	Venture Capital	5,000,000	4,916,034	8,631,241	4,440,599	14.52%
Hamilton Lane Venture Capital Fund, L.P. (Series 2014)	2014	Venture Capital	7,500,000	7,268,498	9,822,202	13,830,109	21.64%
Hamilton Lane Venture Capital Fund, L.P. (Series 2015)	2015	Venture Capital	5,000,000	3,729,096	2,650,108	7,747,543	20.14%
Hamilton Lane Venture Capital Fund, L.P. (Series 2016)	2016	Venture Capital	10,000,000	9,235,283	6,682,551	14,136,017	23.36%
Hamilton Lane Venture Capital Fund, L.P. (Series 2017)	2017	Venture Capital	7,000,000	5,743,559	662,491	11,947,535	24.30%
Hellman & Friedman Capital Partners IX, L.P.	2019	Mega Buyout	7,500,000	7,435,307	179,371	9,946,712	15.11%
Hellman & Friedman Capital Partners VII, L.P.	2011	Mega Buyout	10,000,000	9,559,853	29,987,533	2,107,450	24.69%
Hellman & Friedman Capital Partners VIII, L.P.	2016	Mega Buyout	7,500,000	7,690,916	4,066,498	9,154,278	13.99%
Hellman & Friedman Capital Partners X, L.P.	2021	Mega Buyout	10,000,000	7,196,284	-	7,340,088	2.06%
Hellman & Friedman Capital Partners XI, L.P.	2023	Mega Buyout	10,000,000	-	-	-	-
High Road Capital Partners Fund II, L.P.	2013	Small Buyout	5,000,000	4,616,439	5,838,604	2,448,761	14.76%
Kelso Investment Associates IX, L.P.	2015	Mid Buyout	15,000,000	14,724,804	18,718,535	8,348,335	20.78%

<sup>1</sup> The IRR net of Hamilton Lane fees is 13.67%

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Note: Total includes a \$5.0 million commitment to American Securities Partners VI, L.P.



# Performance Summary by Investment

## Santa Barbara County Employees' Retirement System Portfolio Performance Summary by Investment as of March 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR <sup>1</sup>
Kelso Investment Associates X, L.P.	2018	Mid Buyout	\$10,000,000	\$9,720,280	\$2,331,365	\$15,684,789	35.63%
Kelso Investment Associates XI, L.P.	2021	Mid Buyout	10,000,000	1,601,844	8,541	2,297,708	71.55%
Kohlberg Investors IX, L.P.	2020	Mid Buyout	10,000,000	7,810,377	294,108	10,275,256	30.92%
Kohlberg Investors VI, L.P.	2007	Mid Buyout	10,000,000	9,100,924	15,946,944	15,437	16.46%
Kohlberg Investors VII, L.P.	2012	Mid Buyout	7,500,000	7,925,074	13,205,174	-	15.84%
Kohlberg Investors VIII, L.P.	2017	Mid Buyout	10,000,000	10,519,214	7,317,813	12,644,300	22.79%
KPS Special Situations Fund III, L.P.	2007	Mid Buyout	10,000,000	9,811,441	20,281,277	20,985	23.51%
KPS Special Situations Fund IV, L.P.	2014	Large Buyout	10,000,000	9,642,505	14,672,637	4,570,903	24.58%
KPS Special Situations Fund V, L.P.	2020	Large Buyout	10,000,000	5,640,748	903,889	7,753,462	28.40%
Lexington Capital Partners VI, L.P.	2005	Secondaries	30,000,000	31,854,913	44,225,012	270,760	6.87%
MidOcean Partners VI, L.P.	2021	Mid Buyout	10,000,000	1,558,118	4,825	1,216,215	(36.12%)
Montreux Equity Partners IV, L.P.	2007	Venture Capital	5,000,000	4,976,866	2,741,697	3,734,335	3.17%
NewView Capital Fund III, L.P.	2022	Growth Equity	10,000,000	-	-	-	-
OHA Strategic Credit Fund IB, L.P.	2009	Distressed Debt	5,000,000	4,475,643	6,786,915	-	12.67%
OHA Strategic Credit Fund II, L.P.	2017	Distressed Debt	10,000,000	6,500,000	3,727,753	5,646,102	12.76%
Platinum Equity Capital Partners III, L.P.	2012	Large Buyout	7,500,000	7,127,812	13,447,966	1,407,167	37.83%
Platinum Equity Capital Partners IV, L.P.	2016	Large Buyout	10,000,000	10,369,422	9,800,017	11,407,442	24.77%
Platinum Equity Capital Partners V, L.P.	2019	Mega Buyout	10,000,000	9,464,683	845,501	13,515,334	25.40%
Platinum Equity Capital Partners VI, L.P.	2022	Mega Buyout	10,000,000	662,801	-	525,574	(21.03%)
Platinum Equity Small Cap Fund, L.P.	2018	Mid Buyout	9,750,000	7,125,367	1,655,872	12,076,595	30.40%
Providence Equity Partners VI, L.P.	2007	Mega Buyout	10,000,000	11,579,167	16,206,640	241,861	6.03%
Providence Equity Partners VII, L.P.	2012	Large Buyout	7,500,000	10,693,722	15,814,247	6,424,602	22.12%
Roark Capital Partners IV, L.P.	2016	Mid Buyout	10,000,000	9,004,093	2,151,995	11,360,371	7.79%
Saw Mill Capital Partners II, L.P.	2016	Small Buyout	10,000,000	9,657,135	8,219,528	10,027,753	21.81%
Saw Mill Capital Partners III, L.P.	2022	Small Buyout	10,000,000	-	-	-	-

<sup>1</sup> The IRR net of Hamilton Lane fees is 13.67%

\* The analysis was completed using available information provided by the general partner of each investment, unless otherwise noticed. Cash flows are representative of SBCERS' actual cash paid and received. Market values reflect SBCERS' unrealized interest in each investment. The IRRs are representative of SBCERS' return to date and not the IRR reported by the general partner.

Note: Total includes a \$5.0 million commitment to American Securities Partners VI, L.P.

# Performance Summary by Investment

## Santa Barbara County Employees' Retirement System Portfolio Performance Summary by Investment as of March 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR <sup>1</sup>
Secondary Investment SPV-1 L.P.	2012	Secondaries - Direct	\$1,996,865	\$1,851,173	\$3,183,169	-	30.66%
Secondary Investment SPV-2 L.P.	2012	Secondaries - Direct	5,850,312	5,762,952	10,689,820	-	29.36%
Secondary Investment SPV-4, L.P.	2013	Secondaries - Direct	\$2,231,943	\$2,171,059	\$3,096,094	\$67,915	11.00%
SSG Capital Partners II, L.P.	2012	Special Situations	6,365,714	11,106,071	12,112,426	-	4.10%
SSG Capital Partners III, L.P.	2014	Special Situations	7,500,000	12,695,231	\$14,574,351	559,534	8.57%
SSG Capital Partners IV, L.P.	2017	Special Situations	10,000,000	12,862,809	9,967,849	4,994,200	7.72%
Sterling Group Partners V, L.P.	2021	Mid Buyout	10,000,000	3,958,402	-	5,275,243	35.03%
STG Allegro Fund, L.P.	2021	Small Buyout	10,000,000	1,019,760	-	622,047	(62.53%)
STG VI, L.P.	2021	Mid Buyout	10,000,000	6,123,664	334,548	6,279,624	8.01%
STG VII, L.P.	2023	Mid Buyout	10,000,000	-	-	-	-
Summit Partners Growth Equity Fund XI, L.P.	2021	Large Buyout	10,000,000	1,820,979	-	1,913,513	8.65%
TCV IX, L.P.	2016	Growth Equity	10,000,000	8,570,528	8,191,447	8,797,737	20.72%
TCV VII, L.P.	2008	Growth Equity	5,000,000	4,941,703	15,550,705	143,344	23.35%
TCV VIII, L.P.	2014	Growth Equity	5,000,000	4,548,270	3,481,793	5,971,867	12.10%
TCV X, L.P.	2019	Growth Equity	10,000,000	7,505,330	917,133	13,355,021	23.97%
TCV XI, L.P.	2020	Growth Equity	10,000,000	5,118,476	-	4,649,545	(6.66%)
TCV XII, L.P.	2022	Growth Equity	10,000,000	-	-	-	-
Tennenbaum Opportunities Fund V, LLC	2007	Distressed Debt	5,000,000	5,000,000	7,182,534	403,271	5.67%
The Eighth Cinven Fund	2022	Mega Buyout	9,898,836	-	-	-	-
The Rise Fund, L.P.	2017	Growth Equity	6,000,000	6,156,694	3,305,981	6,210,752	15.22%
Thoma Bravo Fund XIII, L.P.	2018	Mega Buyout	5,000,000	6,099,894	3,009,371	7,522,007	29.63%
Thoma Bravo Fund XIV, L.P.	2021	Mega Buyout	10,000,000	9,850,631	15	9,807,482	(0.28%)
Thoma Bravo Fund XV, L.P.	2022	Mega Buyout	10,000,000	5,370,639	6,592	5,336,178	(0.71%)
TPG Growth II, L.P.	2011	Mid Buyout	5,000,000	5,596,545	9,795,286	1,384,376	15.80%
TPG Growth IV, L.P.	2017	Mid Buyout	4,000,000	4,020,406	1,915,157	4,144,908	16.02%
TPG Tech Adjacencies II, L.P.	2021	Growth Equity	10,000,000	4,077,453	1,418	4,029,817	(1.93%)
TPG Tech Adjacencies, L.P.	2018	Growth Equity	10,000,000	10,248,777	5,184,617	11,176,325	26.78%
Waterton Precious Metals Fund II Cayman, L.P.	2013	Small Buyout	5,000,000	4,593,001	3,234,932	3,341,088	7.93%
ZMC III, L.P.	2020	Small Buyout	9,019,166	8,032,119	2,824	7,754,899	(3.23%)
<b>Total Portfolio</b>			<b>\$934,617,249</b>	<b>\$776,074,094</b>	<b>\$696,333,055</b>	<b>\$560,028,947</b>	<b>14.15%</b>

<sup>1</sup> The IRR net of Hamilton Lane fees is 13.67%

\* The analysis was completed using available information provided by the general partner of each investment, unless otherwise noticed. Cash flows are representative of SBCERS' actual cash paid and received. Market values reflect SBCERS' unrealized interest in each investment. The IRRs are representative of SBCERS' return to date and not the IRR reported by the general partner.

Note: Total includes a \$5.0 million commitment to American Securities Partners VI, L.P.

# Manager Monitoring

## Santa Barbara County Employees' Retirement System - Manager Monitoring Private Equity Portfolio

Fund Manager	Significant Event (Yes/No)	Last HL Meeting	Comments
Actis Capital	No	June 2023	• N/A
Advent International	No	May 2023	• N/A
American Securities Capital Partners	No	July 2023	• Promoted James Carmichael and Dan Darazsdi to Managing Director • Promoted Connor Wentzell to Principal
Apollo Global Management	No	July 2023	• Promoted Jacob Klein to Principal • Hired Rob Vincze as a Principal on the Infrastructure team
Ares SSG Capital Management	No	July 2023	• N/A
Ascribe Capital	No	June 2023	• N/A
BC Partners	No	July 2023	• N/A
Blackstone Group	No	July 2023	• N/A
Bridgepoint Capital Limited	No	July 2023	• John Barber, former Head of Investor Services, to retire • BDC IV will be back to market in 2024
Cinven Partners	No	July 2023	• N/A
CVC Capital Partners	No	July 2023	• N/A
Energy Capital Partners	No	January 2023	• N/A
First Reserve Corporation	No	November 2022	• N/A
FSN Capital Partners	No	July 2023	• Plan to launch Fund VII in 2024
Gridiron Capital	No	July 2023	• Hired a new Operating Partner to start in the near-term
GTCR	No	July 2023	• N/A
Hellman & Friedman	No	July 2023	• Promoted Jacob Best to Partner and Joseph Ghobrial to Director • Five promotions to Principal
High Road Capital Partners	No	March 2023	• N/A
Kelso & Company	No	June 2023	• N/A
Kohlberg Investors	No	April 2023	• N/A
KPS Capital Partners	No	April 2023	• Expanded the investment team by eight professionals since the prior fundraising
Lexington Advisors Inc.	No	November 2021	• N/A

\*N/A represents no material update

# Manager Monitoring

## Santa Barbara County Employees' Retirement System - Manager Monitoring Private Equity Portfolio

Fund Manager	Significant Event (Yes/No)	Last HL Meeting	Comments
MidOcean Partners	No	July 2023	• N/A
Montreux Equity Partners	No	January 2023	• N/A
NewView Capital	No	April 2023	• N/A
Oak Hill Advisors, L.P.	No	May 2023	• N/A
Platinum Equity Capital Partners	No	July 2023	• Intends to hire one M&A Finance professional and three M&A Operations professionals in the near-term
Providence Equity Partners, Inc.	No	June 2023	• N/A
Rivean Capital	No	July 2023	• N/A
Roark Capital Group, Inc.	No	April 2023	• N/A
Saw Mill Capital	No	June 2023	• N/A
Sterling Group	No	March 2023	• Hired two new associates in 2023
STG Partners	No	June 2023	• Hired Umang Kajaria in June 2023 to co-lead the Allegro fund • Promoted Adam Hendricks to Managing Director and Joe Clancy to Principal
Summit Partners	No	June 2023	• Introduced new title "Partner", after Principal and before Managing Director • No longer separating Growth Equity and VC product lines
Technology Crossover Ventures	No	May 2023	• N/A
Tennenbaum Capital Partners, LLC	No	April 2016	• N/A
Texas Pacific Group	No	July 2023	• N/A
Thoma Bravo	No	April 2023	• N/A
Waterton Global Resources Management	No	June 2022	• N/A
ZMC Advisors	No	April 2023	• N/A

\*N/A represents no material update

# Placement Agent Disclosures for 2023

External Manager	Fund	Placement Agent(s) Disclosed	Placement Agent(s) Compensation	Material Violations?
CVC Capital Partners	CVC Capital Partners IX, L.P.	N/A	N/A	No
GTCR	GTCR Fund XIV, L.P.	N/A	N/A	No
Hellman & Friedman	Hellman & Friedman Capital Partners XI, L.P.	N/A	N/A	No
Kohlberg Investors	Kohlberg Investors X, L.P.	N/A	N/A	No
KPS Capital Partners	KPS Special Situations Fund VI, L.P.	N/A	N/A	No
STG Partners	STG VII, L.P.	Evercore	Fee based on commitment	No

# Important Disclosures

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Non-public information contained in this report is confidential and intended solely for dissemination to the client and/or its Affiliates. Hamilton Lane has prepared this report to enable the client and/or its Affiliates to assess the performance and status of its alternative investment portfolio. The calculations contained in this document are made by Hamilton Lane based on information provided by the general partner (e.g. cash flows and valuations), and have not been prepared, reviewed or approved by the general partners. Hamilton Lane hereby disclaims any liability resulting from any unauthorized dissemination of the attached information.

The information contained in this report may include forward-looking statements regarding the funds presented or their portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the funds or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The information presented is not a complete analysis of every material fact concerning each fund or each company. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

All opinions, estimates and forecasts of future performance or other events contained herein are based on information available to Hamilton Lane as of the date of this presentation and are subject to change. Past performance of the investments described herein is not indicative of future results. Certain of the information included in this presentation has not been reviewed or audited by independent public accountants. Certain information included herein has been obtained from sources that Hamilton Lane believes to be reliable but the accuracy of such information cannot be guaranteed.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the funds will achieve comparable results or that they will be able to implement their investment strategy or achieve their investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the funds or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

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