

INSIGHT

— PARTNERS —

Board Discussion Pennsylvania State Employees' Retirement System December 2019

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Data as of 6.30.2019 unless otherwise noted

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All securities investments risk the loss of capital. No guarantee or representation is made that a partnership will achieve its investment objective. An investment in a partnership is speculative and involves certain risk factors which potential investors should consider before investing. Potential investors should be able to afford a complete loss of all capital invested in a partnership.

CASE STUDIES

The case studies included in this Presentation are for illustrative purposes only. There is no guarantee that future Insight funds will have access to similar investment opportunities or that such investment opportunities will be profitable or as profitable.

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Insight Partners: Summary

Focus

- **Leader in growth software investing**, focusing on this sector for 24 years
- **Small-to-mid cap company investor**, focusing on the most compelling, high-growth deals in software

Scale

- **Scaled operations** with over \$17B invested in >350 companies
 - High volume **sourcing**
 - Scaled **value creation** team and platform
 - Significant investment in **data and technology**
- **Experienced leadership team** working together for at least 15 years
- Winning process, people and culture with broad industry impact

Scaled Team with Long History of Investing Together

Senior Team has a long history at Insight, supported by a deep bench of experts



Cian Cotter

16 years
at Insight



Ryan Hinkle

16 years
at Insight



Jeff Horing

24 years
at Insight



Jeff Lieberman

21 years
at Insight



Deven Parekh

20 years
at Insight



Mike Triplett

21 years
at Insight



Richard Wells

14 years
at Insight



Hilary Gosher

19 years
at Insight



Rachel Geller

11 years
at Insight

Sourcing Team

46

*Pipelines Aligned to Each Investment
Committee MD*

Senior Investment Team

24

*Buyout, Growth, Capital Markets and
M&A Expertise*

Onsite Portfolio Team

50

*Software-focused Operating and
Diligence Expertise*

Note: As of 10/1/2019. For illustrative purposes only.

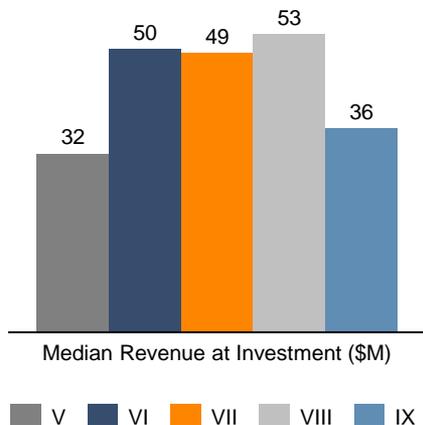
Consistent Focus on Small-Mid Cap, High-Growth Companies

Median company revenue at time of investment: \$41M¹

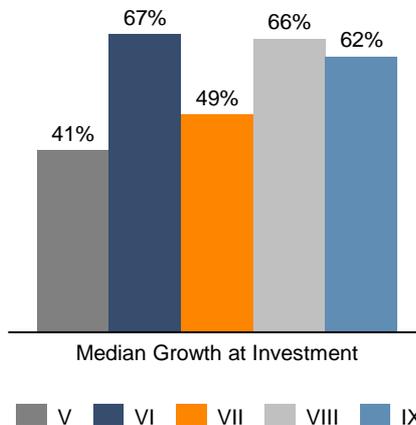
Median company growth rate at investment: 56%²

Flexible structure to access the best opportunities

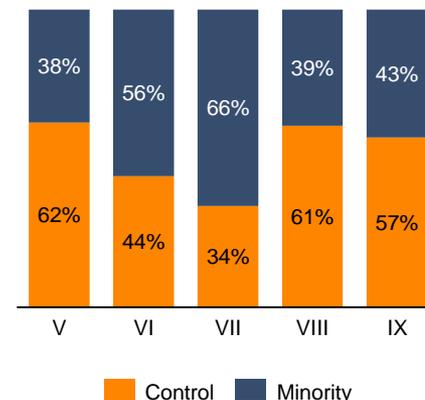
Small to Mid Cap



High Growth Companies



Flexible Structure^{3,4}



1 Calculated as median FTM revenue at time of investment.

2 Growth rate is calculated as difference between LTM revenue at time of investment and FTM revenue at time of investment.

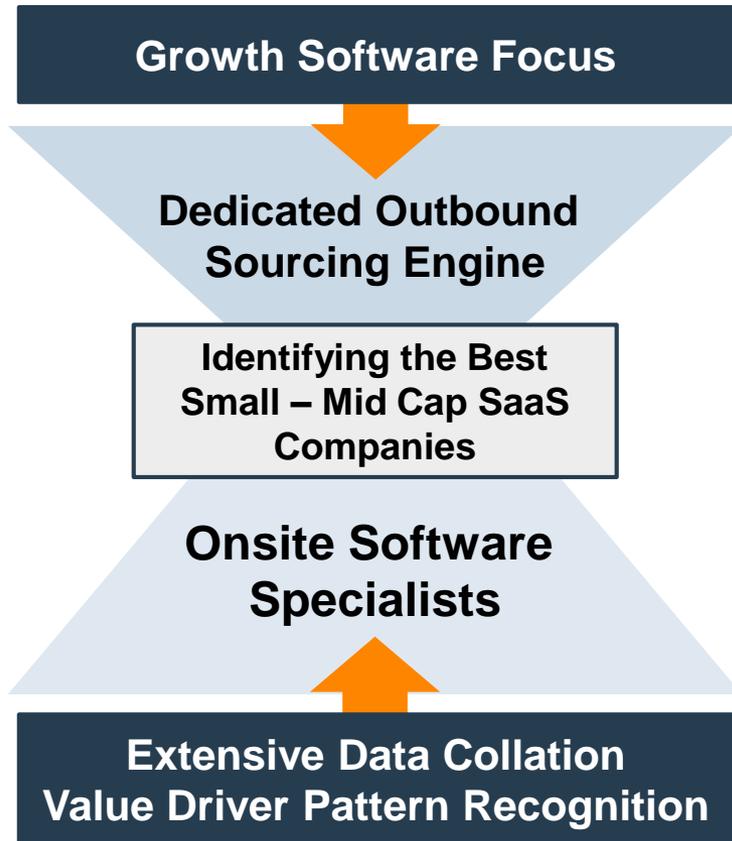
3 Calculated based on capital invested.

4 "Control" defined as transactions in which Insight, together with any of its co-investors (such as strategic partners or limited partners), if applicable, acquired at least a majority of the equity interests of the target company or the right to appoint at least a majority of the board of directors (or similar governing body) of the target company. "Minority" is defined as all transactions that are not "Control" transactions.

Note: Analysis excludes companies with TTM revenue at the time of investment of less than \$5 million, which have significantly higher growth rates than is typical for mid-cap software companies. Funds I-IV are excluded due to significant changes in Insight's investment strategy from that period. Fund X is excluded because it is not meaningful given Fund X is early in its life cycle. Includes applicable co-investment funds.

Insight Partners: Platform

Tried and tested model with the benefits of scaled resourcing and informed by decades of experience and data



➤ Sourcing Advantage

- 46 active outbound sourcing FTEs
- 25,000+ companies contacted annually
- 120,000+ companies in database

➤ Structural Advantage

- Growth and buyout flexibility to invest in top quality companies
- Recurring revenue business models

➤ Operational Advantage

- 50 full time operating specialists
- Onsite team structured like a software company
- ~100 KPIs collected each quarter

Note: As of 10/1/2019. For illustrative purposes only.

Deeply Committed to Diversity as We Scale...

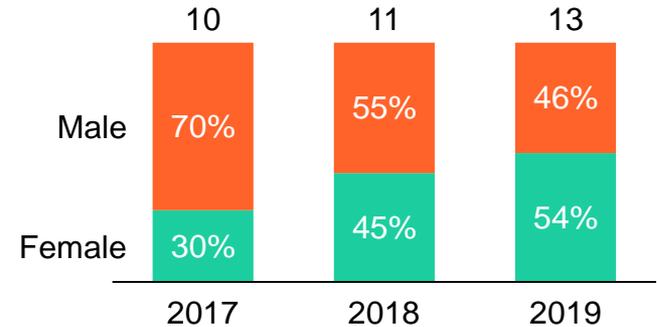
Current efforts

- »» **Sophomore Diversity Program** – Annual in-house developed program building a pipeline for summer and full-time analyst programs
- »» **Sponsors for Educational Opportunity (SEO)** – Supplement pipeline with racially-diverse talent, with a focus on African American and Latino students
- »» **Out for Undergrad (O4U)** – Supplement pipeline with LGBTQA+ students

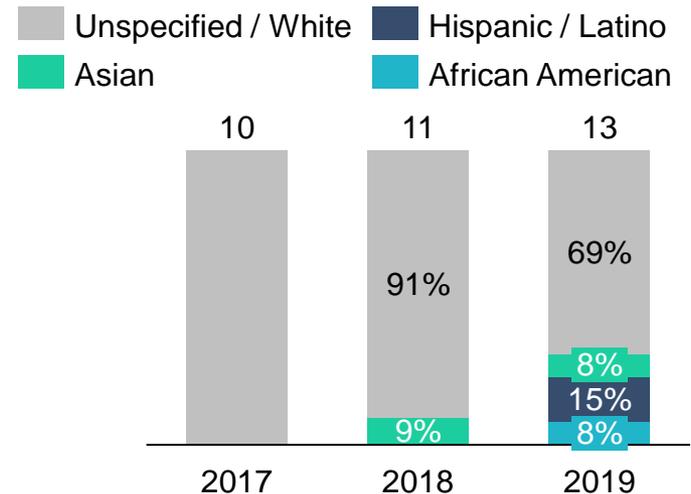
Relationships in progress

- »» **Howard & Morehouse** – Developing relationships with historically black colleges and universities
- »» **Girls Who Invest (GWI)** – Transforming the asset management industry by bringing more women into portfolio management and leadership
- »» **Management Leadership for Tomorrow (MLT)** – Equips and emboldens high-achieving women and men from underrepresented communities – African American, Latino/a and Native American – to realize their full potential, to make a mark and make a difference

Full-Time Hires: Gender Diversity



Full-Time Hires: Ethnic Diversity



...at Insight and Beyond

Firm Leadership

- **17 senior women** in leadership at Insight, including **3 Managing Directors**
- **Declare:** Inaugural member of Declare, an organization co-founded by Hilary Gosher, Insight MD, to advance women in leadership. All women at Insight are sponsored

Recruiting

- Insight is committed to improving both gender and ethnic diversity in our incoming hires
- **Women in Tech Events:** Campus events to encourage female applicants
- **Sophomore Diversity Program:** internship program focused on diverse candidates
- **Interview Process:** interview training and processes (final round interviews in male/female pairs to reduce bias)

Portfolio & External

- Insight hosted the **Women's Tech Leadership Summit** in July 2019, bringing together ~100 portfolio leaders and ~150 other technology leaders
- **65+ female C-level executives** across the portfolio
- **White House Tech Inclusion Pledge:** inaugural signatory to pledge to increase diversity in technology
- **Thirty Percent Coalition:** dedicated to the promotion of women in the board room