Memorandum

From: StepStone Group ("StepStone")
To: Employees' Retirement System of Rhode Island ("ERSRI") Investment Committee
Date: August 26, 2026
Subject: Investment in Resolute Fund VII

Recommendation

StepStone recommends that the State Employees' Retirement System Investment Committee approve a commitment to Resolute Fund VII ("Fund VII", or the "Fund") of up to US$75 million for ERSRI and up to US$2 million for OPEB at the August 26th, 2026, Investment Committee meeting.

This recommendation is made solely within the context of ERSRI and OPEB's investment guidelines and is given solely for the benefit of ERSRI and OPEB.

Key investment highlights supporting the opportunity are as follows:

- Large, Home-Grown Senior Team with an Average Tenure of 28 Years at TJC
- Robust Sourcing Capabilities Resulting in Attractive Entry Multiples
- Strong Performance of Funds IV-VI

Overview

Founded in 1982 by Jay Jordan, The Jordan Company ("Jordan", "TJC", the "GP" or the "Firm") is a New York-based private equity firm that targets control investments in North American Middle Market businesses across Diversified Industrials, Industrial Technology, Digital and Power Infrastructure, Logistics and Business Services, Consumer, and Healthcare (the "Target Sectors"). Within these sectors, Jordan targets investments in partnership with management. Post-investment, the Firm pursues an operationally intensive approach led by TJC's Operations Management Group ("OMG"), which partners with management teams to drive value creation initiatives across operations, finance, M&A, talent, growth, and data/digital.

The Firm is led by seven Partners (the "Senior Partners") – Richard Caputo, David Butler, Michael Denvir, Brian Higgins, Eion Hu, Ian Arons, and Erik Fagan – each of whom serves on the Partnership Board and the Investment Committee. The Senior Partners average 29 years of experience and have an average tenure at the Firm of 28 years. Five additional Partners support the Senior Partners, all of whom have been internally promoted over their average 18-year tenure at the Firm.

Since inception, Jordan has invested US$19.6 billion across six flagship funds, generating a gross TVM/IRR of 2.3x/21%, as of December 31, 2025. Of the Firm's 101 investments, 57 have been realized, generating a 2.6x/21% gross TVM/IRR. Following the generational transition that occurred over the life of Resolute Fund III ("Fund III" – 2013 vintage), TJC generated an aggregate gross TVM/IRR of 2.3x/30% with a 6% loss ratio across Resolute Funds IV, V, & VI.

The Firm is currently raising Resolute Fund VII ("Fund VII" or the "Fund"), with a target of US$8.5 billion and hard cap of US$10.5 billion. TJC expects to invest the Fund across a portfolio of 25 to 28 companies, with a target investment size of US$50 million to US$500 million. Jordan will commit a minimum of 3.0% of aggregate capital commitments, representing US$255 million at the target fund size. The Fund has a six-year investment period and ten-year term with three one-year extensions. The management fee is 1.75% of commitments during the initial fee period. Thereafter, the management fee will step down to 1% of net invested capital. The Fund has an American waterfall with 20% carried interest and 8% preferred return, with a GP clawback. The GP held a first close for the Fund in July 2026 and will hold a final close in November 2026.

StepStone Due Diligence

StepStone's due diligence on the Fund was led by Matthew Roche, Sam Marguleas, Emma Bucaj, and Taylor Deasy, and supported by StepStone's broader private equity team. The Fund was reviewed and approved by StepStone's Investment Committee considering the context of the Employees' Retirement System of Rhode Island's private equity investment objectives. Key diligence items included:

- Consideration of portfolio fit within the ERSRI and OPEB Private Growth 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

Disclaimer

This recommendation is given solely for the benefit of the Employees' Retirement System of Rhode Island and OPEB and cannot be relied upon by other investors considering an investment in the Fund, since their needs, objectives and circumstances may not be the same as those of ERSRI's or OPEB's. The scope of this recommendation is limited to the investment thesis as previously outlined. StepStone does not provide legal or other non-related investment advice.

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