

The Alaska Permanent Fund Corporation, the Public Institution for Social Security of Kuwait, RPMI Railpen, and Wafra Form Joint Venture, Capital Constellation

New Venture to Catalyze Next Generation of Promising Alternatives Managers; Finalizes First Strategic Partnership with Astra Capital Management

NEW YORK, N.Y., February 22, 2018 – The Alaska Permanent Fund Corporation (“APFC”), the Public Institution for Social Security of Kuwait (“PIFSS”), RPMI Railpen (“Railpen”) and Wafra, a leading manager of private equity and alternative investments, today announced that they have established a new entity called Capital Constellation (“Constellation”). Constellation will provide catalytic investment capital to next generation private equity and alternatives managers and will be advised by Wafra. Combined, the founders will initially commit \$700 million to the venture and Constellation is expected to deploy over \$1.5 billion in the next five years.

Constellation will bring together the expertise and capital base of three of the world’s premier institutional investors, spanning Europe, North America, and the Middle East. Constellation leverages Wafra’s existing capabilities to form partnerships with promising investment teams who demonstrate the investment and operational expertise required to generate strong investment performance and business growth.

Constellation’s mission is to assist talented alternative investment managers in breaking through the challenges of initial fundraising, specifically by providing strategic and operational support and an aligned, substantial and long-term capital base. In return, Constellation’s unique structure is designed to generate consistent, long-term value for its members’ pensioners and citizens.

“We are thrilled to bring together three of the world’s premier institutional investors to establish Constellation,” said Russell Valdez, Senior Managing Director of Wafra and a founding Board member of Constellation. “We believe this innovative investment platform will be a key resource for investment managers as they launch and build the next generation of successful and enduring private equity, real estate and other alternative investment franchises.”

“We are pleased to create a platform that leverages our shared competitive advantages of stability, long-term orientation, and scale. Constellation adds a unique source of value to our portfolio that will help us continue to deliver substantial and lasting value to the State of Alaska,” added Steve Moseley, Head of Private Equity and Special Opportunities at APFC and a founding Board member of Constellation.

“Combining forces with leading institutional investors through Wafra will enable us to find future stars in the investment space. Looking for long-term partnerships should be a key to our success,” stated Meshal Al-Othman, Chief Investment Officer of PIFSS.

Paul Bishop, Railpen Investment Director and a founding Board member of Constellation, said: “We believe Constellation provides us unmatched access to the next generation of successful alternatives managers, and will be a source of long-term returns that will help us achieve our mission to pay

members' pensions securely, affordably and sustainably. We think the historical outperformance of first-time funds is meaningful, as is the participation Constellation receives in GP economics."

"We are honored to be selected to advise this innovative joint venture and investment program," said Fawaz Al-Mubarak, Chief Executive Officer and Chief Investment Officer of Wafra. "Investing in partnerships is central to Wafra's mission. I envision the Constellation platform as a symbiotic strategic partnership not only among asset owners seeking access to an outperforming asset class but also among next generation alternative investment firms and their clients."

In conjunction with the formation of the joint venture, Constellation today announced its first strategic partnership with Astra Capital Management LLC ("Astra"), a private equity manager specializing in growth buyouts in the communications and technology services industries. Astra's founders have over 100 years of industry, investment and operating experience in the communications and technology industries, and have previously worked at leading institutions with long histories of successful investing in the sector. Constellation has committed \$100 million to Astra and will work closely with their leadership to support Astra's mission and growth.

"We are excited to partner with Constellation as we begin our next phase of growth," said Mark Johnson, Co-Founder and Managing Partner of Astra.

Astra Co-Founders William Kennard and Kevin Beebe added that "Constellation's expertise and broad reach will provide a great resource to our fund and portfolio companies."

"We are delighted that our first strategic relationship will be with Astra, a firm with the talent to ascend to great heights," said Daniel Adamson, Managing Director of Wafra and President of Constellation. "We have already begun supporting Astra as a strategic partner across three continents, working closely with Mark, Bill, Kevin, Todd, Matt and the rest of their investment partners to help them realize their long-term goals."

About the Alaska Permanent Fund Corporation

The Alaska Permanent Fund Corporation was created by the Alaska Legislature in 1980 as a quasi-independent state entity tasked with the important mission of prudently investing and managing the assets of the Alaska Permanent Fund. As one of the first sovereign wealth funds, and the largest fund of its kind in the United States, the Alaska Permanent Fund has gained world-wide recognition as a model for converting a non-renewable natural resource into a renewable financial resource, safeguarding approximately \$64 billion for all current and future generations of Alaskans.

About Railpen

The Railways Pension Scheme is one of the UK's largest and longest established pension funds. RPMI Railpen is responsible for the safekeeping and investment of around £28 billion on behalf of the scheme's 350,000 members who are connected with the railway industry. Railpen's mission is to pay members' pensions securely, affordably and sustainably by investing the scheme's assets to generate strong investment returns over the long term.

About the Public Institution for Social Security of Kuwait

The Public Institution for Social Security of Kuwait runs the social security system for all Kuwaiti nationals spanning public and private sector professionals working at home and abroad. More than just retirement benefits, the system protects members in cases of sickness, workplace injuries and disabilities. As an investor, PIFSS looks for opportunities across global markets in asset classes including fixed income, equities, real estate, private equity, hedge funds, infrastructure and other alternatives. The Social Security system in Kuwait has a long history dating back to the 1950s and is one of the bedrocks of the nation's social services. PIFSS itself was established in 1976 to take the lead in its implementation.

About Capital Constellation

Constellation is an innovative joint venture spanning Europe, North America, and the Middle East. It combines the expertise and capital base of three of the world's premier institutional investors—APFC, Railpen and Wafra, on behalf of PIFSS—to catalyze the next generation of promising private equity and alternatives managers. These founding partners of Capital Constellation together manage more than \$200 billion in assets, and have made an initial commitment of \$700 million to Constellation. Constellation's mission is to partner with talented investment teams, enabling them to break through the challenges of initial fundraising by providing strategic and operational support and creating an aligned, substantial and long-term capital base.

<https://capitalconstellation.com/>

About Wafra

Wafra has more than \$20 billion of assets and commitments under management and invests across a wide range of alternative asset classes. In its pursuit of investment excellence, Wafra connects its investors, partners and stakeholders to foster an exchange of ideas and innovations. Behind Wafra's investment strategies are professionals headquartered in New York and other financial centers who bring the long-term vision of Wafra's stakeholders to alternative investments.

About Astra Capital Management

Astra Capital is a Washington, D.C.-based, private equity firm that invests in growth businesses in the communications and technology services sectors. Astra targets highly scalable companies with proven business models that have positive free cash flow and significant growth potential. Post investment, Astra works closely with managers to drive value creation through strategic repositioning, revenue growth and operational enhancements.

Media Contacts

Kevin Infante
Edelman
+1 (212) 729-2442

Kevin.Infante@edelman.com

Andrew Wilson
Edelman
+1 (212) 704-4490

Andrew.Wilson@edelman.com