

LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

**Investment Committee Agenda
REGULAR MEETING
TUESDAY, APRIL 14, 2026
10:30 A.M., OR IMMEDIATELY FOLLOWING
THE BOARD MEETING
LACERS BOARDROOM
977 N. Broadway
Los Angeles, CA 90012**

Chair:

Thuy Huynh

Committee Members:

Susan Liem

Gaylord "Rusty" Roten

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

Legal Counsel:

City Attorney's Office Public Pensions General Counsel Division

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REQUEST FOR SERVICES

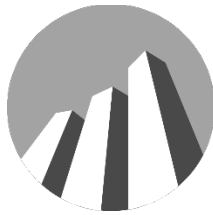
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- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA
- II. APPROVAL OF MINUTES FOR THE MEETING ON MARCH 10, 2026 AND POSSIBLE COMMITTEE ACTION
- III. CHIEF INVESTMENT OFFICER VERBAL REPORT
- IV. INVESTMENT MANAGER CONTRACT WITH SEGALL BRYANT & HAMILL, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION
- V. INVESTMENT MANAGER CONTRACT WITH THE INFORMED MOMENTUM COMPANY LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION
- VI. INVESTMENT MANAGER CONTRACT WITH LOOMIS, SAYLES & COMPANY, L.P. REGARDING THE MANAGEMENT OF AN ACTIVE HIGH YIELD FIXED INCOME PORTFOLIO AND POSSIBLE COMMITTEE ACTION
- VII. INVESTMENT COMMITTEE CHARTER REVIEW AND POSSIBLE COMMITTEE ACTION
- VIII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO PRIME PROPERTY FUND, LLC AND POSSIBLE COMMITTEE ACTION**
- IX. OTHER BUSINESS
- X. NEXT MEETING: The next Regular meeting of the Investment Committee is scheduled for Tuesday, May 12, 2026, at 10:30 A.M., or immediately following the Board Meeting in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, CA 90012-1728.
- XI. ADJOURNMENT



LACERS

**LA CITY EMPLOYEES'
RETIREMENT SYSTEM**

**Board of Administration Agenda
SPECIAL MEETING
TUESDAY, APRIL 14, 2026
10:30 A.M., OR IMMEDIATELY FOLLOWING
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LACERS BOARDROOM
977 N. Broadway
Los Angeles, CA 90012**

President:

Annie Chao

Vice President:

Janna Sidley

Commissioners:

Thuy Huynh

Susan Liem

Thomas Moutes

Gaylord "Rusty" Roten

Sung Won Sohn

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

Legal Counsel:

City Attorney's Office Public Pensions General Counsel Division

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- XI. ADJOURNMENT

**MINUTES OF THE REGULAR MEETING
INVESTMENT COMMITTEE
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM**

March 10, 2026

11:24 A.M.

PRESENT:	Chair:	Thuy Huynh
	Committee Members:	Gaylord "Rusty" Roten
	Legal Counselor:	Miguel Bahamon
	Manager-Secretary:	Todd Bouey
	Executive Assistant:	Ani Ghoukassian
ABSENT:	Committee Member:	Susan Liem

The Items in the Minutes are numbered to correspond with the Agenda.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Chair Huynh asked if any persons wished to speak on matters within the Committee's jurisdiction, to which there were no public comment cards submitted.

II

APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 10, 2026 AND POSSIBLE COMMITTEE ACTION – Committee Member Roten moved approval, and adopted by the following vote: Ayes, Committee Members Roten, and Chair Huynh -2; Nays, None.

III

CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, discussed the following item:

- Investment Committee Forward Calendar and Watch List Reports
- Infrastructure RFP Overview

IV

INVESTMENT MANAGER CONTRACT WITH GRANAHAN INVESTMENT MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Barbara Sandoval, Investment Officer II, Kevin

Novak, Principal, and DeAnna Jones, Senior Consultant, with NEPC, LLC, presented and discussed this item with the Committee for 15 minutes. Committee Member Roten moved approval, and adopted by the following vote: Ayes, Committee Members Roten, and Chair Huynh -2; Nays, None.

V

INVESTMENT MANAGER CONTRACT WITH COPELAND CAPITAL MANAGEMENT, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP CORE EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Barbara Sandoval, Investment Officer II, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Committee for five minutes. Committee Member Roten moved approval, and adopted by the following vote: Ayes, Committee Members Roten, and Chair Huynh -2; Nays, None.

VI

OTHER BUSINESS – There was no other business.

VII

NEXT MEETING: The next Regular Meeting of the Investment Committee is scheduled for Tuesday, April 14, 2026, at 10:30 A.M., or immediately following the Board Meeting in the LACERS Boardroom at 977 N. Broadway, Los Angeles, CA 90012-1728.

VIII

ADJOURNMENT – There being no further business before the Committee, Chair Huynh adjourned the meeting at 11:47 A.M.

Thuy Huynh
Chair

Todd Bouey
Manager-Secretary



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: IV

**SUBJECT: INVESTMENT MANAGER CONTRACT WITH SEGALL
BRYANT & HAMILL, LLC REGARDING THE MANAGEMENT OF AN
ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND
POSSIBLE COMMITTEE ACTION**

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Committee recommend to the Board a one-year contract renewal with Segall Bryant & Hamill, LLC for management of an active U.S. small cap value equities portfolio.

Executive Summary

Segall Bryant & Hamill, LLC (SBH) has managed an active U.S. small cap value equities portfolio for LACERS since September 2020. LACERS' portfolio was valued at approximately \$172 million as of February 28, 2026. SBH is currently on watch status due to performance. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant, recommend a one-year contract renewal.

Discussion

Background

SBH manages an active U.S. small cap value equities portfolio for LACERS benchmarked to the Russell 2000 Value Index. SBH uses a fundamental, bottom-up security selection process to identify companies with improving return on invested capital, which SBH believes is the largest driver of long-term shareholder value. The team managing the LACERS small cap strategy is comprised of six professionals, each

of whom have sector-specific, fundamental research responsibilities. Mark Dickherber, CFA, CPA, Director of Small Cap Strategies, serves as the lead portfolio manager. Senior Portfolio Manager Shaun Nicholson co-manages the strategy with Mark; both portfolio managers have more than two decades of experience in the investment profession.

The Board hired SBH through the 2019-2020 Active U.S. Small Cap Equities manager search process and authorized a three-year contract on January 28, 2020; the contract became effective on August 1, 2020. The Board authorized a three-year contract renewal on February 28, 2023, and the current contract expires on July 31, 2026. LACERS' portfolio was valued at approximately \$172 million as of February 28, 2026.

Organization

SBH is headquartered in Chicago and has 96 employees, of which 47 are investment personnel. As of December 31, 2025, SBH managed approximately \$23.3 billion in total assets, with \$1.9 billion in the small cap value strategy.

At the time of hire, SBH was 53% employee-owned with the remaining 47% owned by private equity firm Thoma Bravo, LLC through one of its funds. In April 2021, Toronto-based CI Financial Corp (CI Financial), a publicly listed financial services and investment management firm, acquired SBH as a wholly owned subsidiary. In 2025, MC Accelerate Holdings LP ("Mubadala"), an entity managed by Mubadala Capital LP, acquired a substantial majority of the outstanding equity of CI Financial; the remaining equity was held by Kurt MacAlpine, Partner and CEO of Corient and CEO of CI Financial, who contributed his equity into the transaction structure to invest alongside Mubadala. Following the completion of this transaction, SBH is an indirect wholly owned subsidiary of Mubadala Capital LP, which is ultimately owned through various wholly owned intermediate entities by the Government of Abu Dhabi.

SBH continues to operate autonomously and independently under its own brand, with full control of its investment process, decision making, and team structures.

Due Diligence

Staff conducts routine due diligence of the manager and conducted an on-site visit in April 2026. SBH's investment philosophy, strategy, and process have not changed materially over the contract period. Based upon these due diligence activities as well as staff's and NEPC's continuous monitoring, staff and NEPC continue to deem SBH capable of managing assets for LACERS under its small cap value equities strategy.

Performance

As of February 28, 2026, SBH outperformed its benchmark, net-of-fees, in all time periods and underperformed in the Since Inception time period as presented in the following table.

Annualized Performance as of 2/28/2026 (Net-of-Fees)

Time Period	3-Month	1-Year	2-Year	3-Year	5-Year	Since Inception ¹
Segall Bryant & Hamill	14.85	29.44	19.41	15.00	7.83	14.34
Russell 2000 Value Index	9.12	24.95	15.94	12.39	7.67	15.89
<i>% of Excess Return</i>	<i>5.73</i>	<i>4.49</i>	<i>3.47</i>	<i>2.61</i>	<i>0.16</i>	<i>-1.55</i>

¹Performance inception date: 9/30/2020. Strategy was funded after contract inception date of 8/1/2020.

As discussed in NEPC's recommendation report (Attachment 1), SBH's since inception underperformance relative to the benchmark is mostly attributed to the fourth quarter of 2020 during which low-quality stocks began a post-pandemic price run up and the meme stock rallies in the first and second quarters of 2021. During these time periods, the strategy underperformed given its bias toward higher quality stocks relative to the benchmark. SBH has been on watch status since August 2024 due to performance.

The strategy tends to underperform in momentum markets in which valuation is secondary to growth. In these markets, the companies with superior Return on Invested Capital (ROIC) profiles have historically not been rewarded to the same extent that companies with rising market prices have been.

Calendar year performance is presented in the table below as supplemental information.

Calendar Year Performance as of 12/31/2025 (Net-of-Fees)

Time Period	2025	2024	2023	2022	2021	9/30/2020-12/31/2020
Segall Bryant & Hamill	12.76	13.16	12.18	-14.67	16.99	28.2
Russell 2000 Value Index	12.59	8.05	14.65	-14.48	28.27	33.36
<i>% of Excess Return</i>	<i>0.17</i>	<i>5.11</i>	<i>-2.47</i>	<i>-0.19</i>	<i>-11.28</i>	<i>-5.16</i>

Fees

LACERS pays SBH an effective fee of 57 basis points (0.57%), which is approximately \$929,772 annually based on the value of LACERS' assets as of December 31, 2025. This fee ranks in the 11th percentile among its peers in the eVestment U.S. Small Cap Value Universe (i.e., 89% of like-managers have higher fees). From contract inception on August 1, 2020 to December 31, 2025, LACERS has paid SBH a total of \$3.6 million in investment fees.

General Fund Consultant Opinion

NEPC concurs with this recommendation.

Prepared By:

Barbara Sandoval, Investment Officer II, Investment Division

Attachment: 1. Consultant Recommendation – NEPC



To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: April 14, 2026

Subject: Segall Bryant & Hamill Small Cap Value – Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract with Segall Bryant & Hamill ('SBH') for a period of one year from the date of contract expiry. The one-year extension reflects the fact that SBH remains on watch status per LACERS performance criteria.

Background

SBH was funded on September 30, 2020 to provide active investment management within the U.S. equity small cap value style of the market. As of February 28, 2026, SBH managed \$172.1 million, or 0.6% of Plan assets. The performance objective is to outperform the Russell 2000 Value Index, net of fees, annualized over a full market cycle (normally three-to-five years). The account is currently on watch due to performance based on LACERS' Manager Monitoring Policy. Watch status began in September 2024 and was extended in 2025 due to continued underperformance.

SBH is an SEC Registered investment Adviser established in October 1994 by co-founders Ralph Segall, Alfred Bryant, Jonathan Hamill, and Jeffrey Slepian. The firm is headquartered in Chicago, with additional offices in Denver, Philadelphia, St. Louis, and New York. SBH is wholly owned by Corient Management LLC, which is a wholly owned subsidiary of Corient Holdings Inc. ("Corient Holdings"). Corient Holdings is a wholly owned subsidiary of CI Financial. SBH serves a diverse clientele which includes public funds, Taft-Hartley benefit funds, corporations, endowments, foundations, associations, and high-net-worth individuals. SBH provides fee-based investment management of equity, fixed income, and alternative investment portfolios on a discretionary and non-discretionary basis. Ralph Segall, Co-Founder and Chief Investment Officer, announced his decision to resign, effective immediately, in December 2025. The firm had been preparing for his departure for some time, and there are no expected changes or impact to the firm's investment teams or investment styles. Jim Dadura, CFA, Director of Fixed Income, and Dr. Scott Decatur, Ph.D., Director of Quantitative Strategies, were appointed as Co-Chief Investment Officers to replace Ralph.

CI Financial Corp. ("CI"), a publicly listed financial services firm located in Toronto Canada, acquired 100% the firm on April 30, 2021 and as a result, the firm was put on watch according the LACERS Manager Monitoring policy. Prior to the CI acquisition, SBH was 47% owned by Thoma Bravo (a private equity firm) in their Thoma Bravo

Fund X. The remaining 53% ownership was owned by employees throughout the SBH organization. Thoma Bravo had been an equity holder of SBH since 2014 when it purchased Doherty Financial Group's stake in SBH. SBH was taken off of watch status as of May 6, 2022, citing a level of comfort with the new ownership structure after a period of monitoring for potential changes at the firm.

In November 2024, CI announced that it had decided to go private with the backing of sovereign investor Mubadala Capital. CI would maintain its current structure and management team, remaining independent from Mubadala's other holdings. Mubadala Capital is expected to be a permanent capital investment to diversify their existing assets.

On August 12, 2025, MC Accelerate LP, an entity managed by Mubadala Capital, indirectly, through MC Accelerate Holdings LP, acquired all of the outstanding shares of CI Financial Corp. Following the completion of this transaction, SBH is an indirect wholly owned subsidiary of Mubadala Capital LP, which is ultimately owned through various wholly owned intermediate entities by the Government of Abu Dhabi.

The change to SBH's ultimate parent company is not expected to affect its day-to-day operations or investment teams. SBH is expected to continue to operate autonomously and independently under its own brand, with full control of its investment process, decision-making, and team structures. As of December 31, 2025, SBH managed \$23.3 billion in assets. SBH's legacy private wealth assets, which represented \$7.4 billion as of September 30, 2025, have fully transitioned to its affiliate, Corient Private Wealth, and are no longer included in the firm's AUM.

The Small Cap team is comprised of six professionals, each of whom have sector-specific, fundamental research responsibilities. The team is led Mark Dickherber, CFA, CPA, Principal and Director of Small Cap Strategies. Mark is the lead portfolio manager for the Small Cap Value strategy and also serves as the Co-Portfolio Manager for the firm's Small Cap Core and Small Cap Value Select strategies. He has research coverage in Health Care, Utilities, and in a generalist capacity. Senior Portfolio Manager Shaun Nicholson co-manages the strategy with Mr. Dickherber and also serves as the Lead Portfolio Manager for Small Cap Value Select. Shaun has research coverage in Financials, Industrials, Materials, and in a generalist capacity. Jeffrey Paulis is a Senior Portfolio Manager and Lead Portfolio Manager for SMID Cap and Small Cap Core strategies. Jeff has research coverage in Industrials and in a generalist capacity. Zachary Rosenstock is a Senior Equity Analyst / Assistant Portfolio Manager. Zachary has research coverage in Health Care and Information Technology. Brian Yarbrough is a Senior Equity Analyst with coverage in Consumer Staples and Consumer Discretionary. Eric Hines is an Equity Analyst with coverage in Consumer Staples and Consumer Discretionary. Michelle Waller was an Equity Analyst who joined the team in late 2021 and resigned in September 2025 to pursue other opportunities.

SBH's Small Cap Value strategy begins with a belief that the small cap market is inefficient, particularly among companies that operate multiple divisions. This philosophy is rooted in behavioral finance, which points to the tendency of investors to extrapolate positive and/or negative company data and therefore become too bullish/bearish on a stock, resulting in the price being overvalued or undervalued. The portfolio holds 70-85 stocks. Sector weights range from 0-125% versus the Russell 2000 Value benchmark. The strategy tends to emphasize Industrials, Materials, Technology, and Consumer Staples where companies tend to operate multiple divisions and/or have a fixed cost basis. Conversely, the portfolio typically underweights REITs because they are money recyclers and insurance companies because the team rarely is comfortable with the downside risk. The portfolio holds ~1/3 of assets in early turnarounds, ~1/3 in companies that have turned around and are producing returns at the cost of capital, and ~1/3 in late turnarounds that are still underappreciated by the market. Average annual turnover has ranged from 50% to 70%.

Performance

Referring to Exhibit 1, since inception as of December 31, 2025, the portfolio underperformed its benchmark by 2.3% and ranked in the 81st percentile in its peer group of U.S. small cap value managers since October 1, 2020. In the past five years, ended December 31, 2025, the portfolio underperformed the benchmark by 1.5% and ranked in the 77th percentile in its peer group. In the past three years, ended December 31, 2025, the portfolio outperformed its benchmark by 1.0% and ranked in the 33rd percentile in its peer group. A significant amount of the long-term underperformance in the portfolio can be attributed to three quarters when looking back through to the inception date of October 1, 2020. The fourth quarter of 2020, the first quarter in which the portfolio was funded, marked the beginning of the post pandemic run-up in price of low-quality stocks (those stocks with less stable earnings, less strong balance sheets and lower margins) and SBH's portfolio has a bias toward quality resulting in 5.16% of underperformance. In the first quarter of 2021, the portfolio underperformed 5.80% as SBH avoided participation in the meme stock rally given the bias to not invest in low quality names. In the second quarter of 2021, the portfolio underperformed 4.89% due to non-participation in the meme stock mania in the Communication Services sector and stock selection in the Industrials and Real Estate sector.

The strategy has experienced a material rebound in 2026, more favorably impacting most trailing period results. Referring to Exhibit 2, as of February 28, 2026, since the portfolio's inception date of October 1, 2020, the portfolio has underperformed its benchmark by 1.5%. However, for all other time periods shown, the portfolio has outperformed its benchmark. The five-year return, as of February 28, 2026, is outperforming by 0.2%. The portfolio has seen strong performance over the past one-year period, outperforming the benchmark by 4.5%.

Fees

The portfolio has an asset-based fee of 0.57% annually. This fee ranks in the 11th percentile among its peers in the eVestment U.S. Small Cap Value universe. In other words, 89% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

SBH has experienced underperformance when compared to its benchmark index since inception of the portfolio on October 1, 2020 through February 28, 2026. Though performance over the long-term has been disappointing, the cause of the underperformance is understandable given the portfolio's emphasis on higher quality names which were not in favor over the course of the pandemic where SBH avoided certain areas of the market. This is the time period from which most of the since inception underperformance originates. Further, the strategy continues to eat away at longer-term underperformance with more favorable results in the near-term.

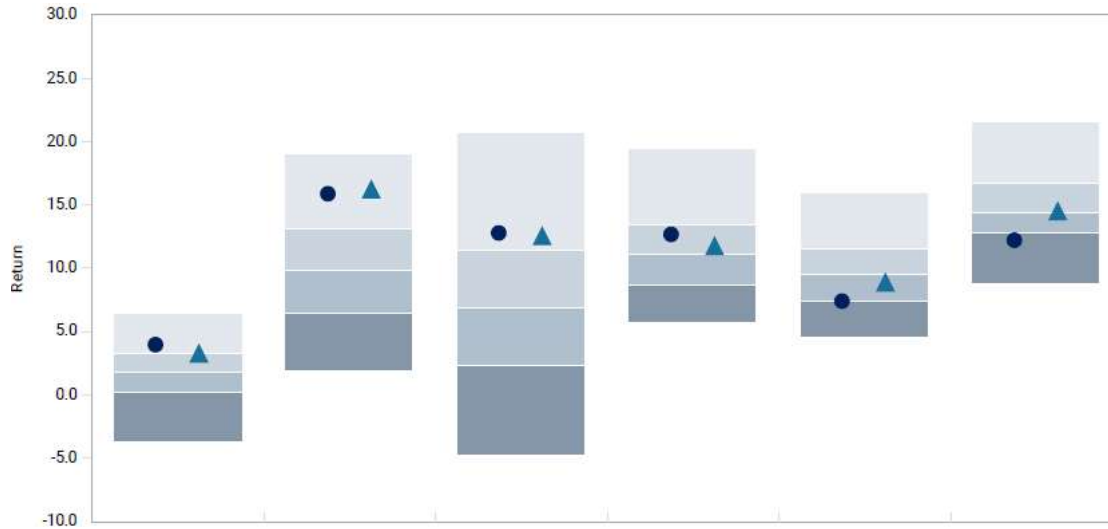
The investment team remains disciplined in its approach to identifying companies with sustainable and/or improving Return on Investment Capital (ROIC). The strategy will typically perform better in steady growth environments as well as risk-averse markets. The account is currently on watch due to performance according to the LACERS Manager Monitoring Policy. The portfolio has outperformed its benchmark for the past one-, three- and five-year periods as of February 28, 2026. NEPC recommends a one year contract renewal.

The following tables provide specific performance information, net of fees referenced above.

Exhibit 1: Universe Performance Comparison Net of Fees Ending December 31, 2025

Segall, Bryant & Hamill vs. eVestment US Small Cap Value Equity

This chart compares SBH and the Russell 2000 Value Index across six periods: 3 months, FYTD, 1 year, 3 years, 5 years, and since inception. The shaded bars show the range of peer universe returns, while the markers show the two compared results. SBH outperforms the benchmark over 3 months, 1 year, and 3 years, and trails it over the FYTD, 5-year, and since inception periods.



Bar chart comparing Segall Bryant & Hamill Small Cap Value returns versus the Russell 2000 Value Index across multiple time periods. SBH outperforms in shorter-term periods and underperforms since inception.

	3 Mo %	FYTD %	1 YR %	3 YRS %	5 YRS %	Inception
Segall, Bryant & Hamill	4.0 (18)	16.0 (13)	12.8 (20)	12.7 (33)	7.4 (77)	12.2 (81)
Russell 2000 Value	3.3 (27)	16.3 (12)	12.6 (21)	11.7 (44)	8.9 (56)	14.6 (49)
5 th Percentile	6.5	19.1	20.7	19.4	16.0	21.7
1 st Quartile	3.3	13.2	11.5	13.5	11.5	16.7
Median	1.8	9.9	6.9	11.1	9.5	14.4
3 rd Quartile	0.2	6.6	2.4	8.7	7.5	12.8
95 th Percentile	-3.7	1.9	-4.7	5.7	4.5	8.8
Population	198	198	198	198	196	196

Exhibit 2: Performance Comparison Net of Fees as of February 28, 2026

This table compares SBH with the Russell 2000 Value Index across 1 month, FYTD, 1 year, 3 years, 5 years, and since inception as of February 28, 2026. It also includes an over/under row showing the difference between the two. SBH outperforms the benchmark in every period except since inception, with the strongest relative outperformance shown in FYTD and 1 year.

	1 Mo	FYTD	1 YR	3 YRS	5 YRS	Inception	Inception Date
Segall, Bryant & Hamill Return	3.9	30.8	29.4	15.0	7.8	14.3	Oct-20
Russell 2000 Value Benchmark Return	1.9	26.6	24.9	12.4	7.7	15.9	
Over/Under	2.0	4.2	4.5	2.6	0.2	-1.5	





LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: V

SUBJECT: INVESTMENT MANAGER CONTRACT WITH THE INFORMED MOMENTUM COMPANY LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Committee recommend to the Board a one-year contract renewal with Informed Momentum Company LLC for management of an active U.S. small cap growth equities portfolio.

Executive Summary

Informed Momentum Company LLC (IMC) has managed an active U.S. small cap growth equities portfolio for LACERS since October 2015. LACERS' portfolio was valued at approximately \$132 million as of February 28, 2026. IMC is currently on watch status due to performance. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant, recommend a one-year contract renewal

Discussion

Background

IMC manages an active U.S. small cap growth equities portfolio for LACERS benchmarked to the Russell 2000 Growth Index. IMC's strategy seeks to identify companies undergoing positive fundamental changes that will potentially accelerate the companies' earnings growth rates. The strategy is led by Travis Prentice, Chief Investment Officer and Portfolio Manager, with over 28 years of industry experience. LACERS' portfolio was valued at approximately \$132 million as of February 28, 2026.

IMC has managed assets for LACERS since October 2015. The Board initially hired the firm through the 2014-2015 Active U.S. Small Cap Growth Equities search. At the time of hire, IMC qualified as an Emerging Investment Manager pursuant to the LACERS Emerging Investment Manager Policy. The firm rebid for the Small Cap Growth Equities mandate through the 2019-2020 Active U.S. Small Cap Equities manager search process and was selected by the Board on January 28, 2020 to manage the existing mandate under a new three-year contract. The contract was extended on April 25, 2023 and the current contract expires on July 31, 2026.

Organization

IMC was originally founded as EAM Investors in 2007. In 2025, the firm rebranded as Informed Momentum Company to more closely align with the firm’s approach in their investment strategies. IMC is headquartered in Solana Beach, California, has a total of 23 employees, and currently is 56% employee-owned and 44% owned by Roth Capital Partners. As of December 31, 2025, IMC managed \$2.4 billion in assets, with \$927 million of assets in the U.S. small cap growth equities strategy.

Due Diligence

Staff conducts routine due diligence of the manager and an on-site visit in January 2026. Based upon these due diligence activities as well as staff’s and NEPC’s continuous monitoring, IMC’s organization, investment philosophy, strategy, and process have not changed materially over the contract period.

Performance

As of February 28, 2026, IMC outperformed its benchmark, net-of-fees, in all time periods with slight underperformance in the five-year as presented in the table below. The performance inception date is October 1, 2015. IMC has been on watch status since June 2024 due to performance. The portfolio experienced underperformance during periods where the momentum factor emphasis of the strategy becomes a detractor such as in calendar years 2022, 2023 and 2025 when swift market reversals occurred. More recently, the strategy has experienced a rebound in performance.

Annualized Performance as of 2/28/2026 (Net-of-Fees)

Time periods	3-Month	1-Year	2-Year	3-Year	5-Year	10-Year	Since Inception
IMC	5.76	29.66	17.14	15.92	1.58	12.76	10.51
Russell 2000 Growth Index	2.40	21.88	13.57	13.77	2.30	11.32	10.00
% of Excess Return	3.36	7.78	3.57	2.15	-0.72	1.44	0.51

¹Performance inception date: 10/1/2015.

Calendar Year Performance as of 12/31/2025 (Net-of-Fees)

Calendar year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	10/1/15 – 12/31/15
IMC	10.26	26.03	7.17	-31.11	3.77	44.11	32.39	-1.41	22.68	4.65	1.63
Russell 2000 Growth Index	13.01	15.15	18.66	-26.36	2.83	34.63	28.48	-9.31	22.17	11.32	4.32
% of Excess Return	-2.75	10.88	-11.49	-4.75	0.94	9.48	3.91	7.90	0.51	-6.67	-2.69

Fees

LACERS pays IMC an assets base fee of 50 basis points (0.50%), which is approximately \$609,167 annually based on the value of LACERS' assets as of December 31, 2025. This fee ranks in the 4th percentile among its peers in the eVestment U.S. Small Cap Growth Universe (i.e., 96% of like-managers have higher fees).

General Fund Consultant Opinion

NEPC concurs with this recommendation.

Prepared By: Barbara Sandoval, Investment Officer II, Investment Division

Attachment: 1. Consultant Recommendation – NEPC



To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: April 14, 2026

Subject: Informed Momentum Company - Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract that is currently in place with Informed Momentum Company ("IMC," formerly EAM Investors) for a period of one year from the date of contract expiry. The one-year extension reflects the fact that IMC remains on watch status per LACERS performance criteria.

Background

IMC has been an investment manager for LACERS since October 1, 2015. As of February 28, 2026, IMC managed \$131.9 million, or 0.5% of Plan assets. The portfolio is benchmarked against the Russell 2000 Growth Index and has a performance objective of outperforming the benchmark, net of fees, annualized over a full market cycle (normally three-to-five years). The IMC portfolio is currently on watch due to performance per LACERS' manager monitoring policy.

The firm was founded by Montie Weisenberger, Travis Prentice and Joshua Moss and was originally known as EAM Investors. All three founders came from Nicholas-Applegate and started the firm in 2007. Their product lineup focuses on small and microcap names across the globe. Effective April 1, 2024, the company purchased the shares of departing partner Montie Weisenberger (who retired from IMC at the end of 2024), bringing active employee ownership to 56%, with Roth Capital Partners maintaining 44% ownership. IMC intends to redistribute the purchased shares to active employees over time. Effective February 4, 2025, the firm was rebranded as The Informed Momentum Company. The change in name was to more closely align the firm name and branding with the investment approach of the firm's strategies. The firm's non-U.S. products were incepted in the 2011 to 2017 timeframe while the U.S. strategies have been managed since the firm began operations in 2007. All products use the same team, investment process and tools. As of December 31, 2025 the firm managed \$2.4 billion.

IMC specializes in identifying alpha opportunities created by companies benefitting from positive change through innovation, reinvention and/or disruption. They believe their systematic approach to discovering ideas, focused fundamental analysis, timely

decision making and efficient implementation are the keys to maximizing available alpha and achieving consistent results. The strategy employs a behaviorally based, fundamentally driven investment philosophy, focused on companies that are accelerating their potential earnings growth due to positive, fundamental change through innovation, reinvention and/or disruption. This approach has been consistently applied across all strategies at the firm since inception in 2007.

IMC's disciplined approach to portfolio construction results in diversified portfolios, with 100-150 holdings and maximum position sizes (2% limit), thus mitigating single stock risk. IMC's bottom-up investment process results in idiosyncratic/stock-specific risk and momentum (IMC calls this Informed Momentum) being the most significant and persistent risk factors in their portfolios. Every stock selected for inclusion in the portfolio has both positive price momentum and a fundamental rationale that explains its performance. Therefore, they believe that in their portfolios both momentum and stock-specific risk are inextricably linked. IMC monitors these risks using risk models from Axioma to assess the contributors to risk and determine aggregate portfolio risk on a holistic basis. As expected, stock-specific risk and momentum as a percentage of active risk have accounted for 77% in the IMC US Small Cap strategy on average since inception.

The investment team functions collaboratively so that the merits of each investment idea are vetted in a collegial environment every day and in real-time. Portfolio manager Travis Prentice is responsible for the execution of the IMC US Small Cap strategy, including prioritizing research and contributing to final decision making. He leans on the expertise and collective wisdom of the entire team. Previously, both Travis Prentice and Montie Weisenberger served as co-portfolio managers on the strategy, with Mr. Weisenberger retiring at the end of 2024.

Performance

Referring to Exhibit 1, as of December 31, 2025, since inception the portfolio matched its benchmark and ranked in the 70th percentile in its peer group of small cap growth managers. In the past five-years, ended December 31, 2025, the portfolio underperformed its benchmark by 1.9% and ranked in the 63rd percentile in its peer group. Over the past one-year, the portfolio underperformed its benchmark by 2.8% and ranked in the 45th percentile among peers.

The strategy has experienced a meaningful rebound in 2026, more favorably impacting longer-term results. Referring to Exhibit 2, as of February 28, 2026, since the portfolio's inception date of October 1, 2015, the portfolio has outperformed its benchmark by 0.5%. Over the last ten-years ended February 28, 2026, the portfolio has outperformed its benchmark by 1.4%. Over the last five-years, ended February 28, 2026, the portfolio has underperformed by 0.7%. Over the past three-years, ending February 28, 2026,



the portfolio has outperformed by 2.1%. Fiscal year-to-date performance has been strong, with the strategy outperforming the benchmark by 14.5%

Fees

The portfolio has an asset-based fee of 0.50% annually. This fee ranks in the 4th percentile among its peers in the eVestment US Small Cap Growth universe. In other words, 96% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

Based on performance as of February 28, 2026, IMC has outperformed its benchmark since October 1, 2015. The five-year return is slightly below the benchmark, as it captures the underperformance from calendar years 2022, 2023, and 2025. The periods of 2022 and 2023, in particular, delivered swift market reversals and resulted in historically poor years for the momentum factor that IMC emphasizes. However, the strategy has recovered and the one- and three-year periods are outperforming the benchmark as of February 28, 2026. The portfolio has had strong outperformance since the second half of 2025, outperforming the benchmark by 14.5% since June 30, 2025.

While the strategy remains on watch, the firm has exhibited stability in their investment process, investment team, strategy and philosophy. IMC's strategy employs a behaviorally based, fundamentally driven investment philosophy, focused on companies that are accelerating their potential earnings growth due to positive, fundamental change through innovation, reinvention and/or disruption. The strategy offers a number of positive traits, and we believe that it can play an appropriate role in the LACERS portfolio. NEPC recommends a contract renewal for a period of one year from the period of contract expiry.

The following tables provide specific performance information, net of fees referenced above.

Exhibit 1: Universe Performance Comparison Net of Fees Ending December 31, 2025

Informed Momentum vs. eV US Small Cap Growth Equity

This table provides the detailed returns, percentile rankings, peer universe breakpoints, and population counts across 3 months, FYTD, 1 year, 3 years, 5 years, 10 years, and since inception as of December 31, 2025. The inception period begins on October 1, 2015. The table shows how Informed Momentum and the Russell 2000 Growth Index rank within the broader peer universe over time, with population sizes ranging from 154 to 139. Percentile rankings are indicated in parentheses with 1 indicating the highest ranking and 100 the lowest ranking.

Strategy vs. Benchmark and Universe	3 Mo %	FYTD %	1 YR %	3 YR %	5 YR %	10 YR %	Inception
• Informed Momentum Company	4.5 (15)	22.1 (6)	10.3 (45)	14.2 (40)	1.3 (63)	9.9 (65)	9.8 (70)
▲ Russell 2000 Growth	1.2 (62)	13.6 (25)	13.0 (27)	15.6 (29)	3.2 (49)	9.6 (73)	9.8 (71)
5 th Percentile	6.8	22.1	22.1	24.0	10.9	15.6	15.1
1 st Quartile	3.6	13.5	13.1	16.2	5.6	12.2	12.3
Median	2.2	9.6	8.8	12.9	2.8	10.8	10.7
3 rd Quartile	-0.5	5.9	3.4	10.6	0.3	9.5	9.5
95 th Percentile	-3.3	-3.7	-8.3	6.3	-4.0	8.2	8.2
Population	154	154	154	152	150	142	139

Exhibit 2: Performance Comparison Net of Fees as of February 28, 2026

This table compares Informed Momentum Company with the Russell 2000 Growth Index across 1 month, FYTD, 1 year, 3 years, 5 years, 10 years, and since inception as of February 28, 2026. The inception period begins on October 1, 2025. The table also includes an over/under row showing the difference between the strategy and benchmark. Informed Momentum outperforms the benchmark in every period except 5 years, with the strongest relative outperformance shown in FYTD and 1 year.

Strategy vs. Benchmark	1 Mo %	FYTD %	1 YR %	3 YR %	5 YR %	10 YR %	Inception
Informed Momentum Company	1.8	32.3	29.7	15.9	1.6	12.8	10.5
Russell 2000 Growth	-0.2	17.8	21.9	13.8	2.3	11.3	10.0
Over/Under	2.0	14.5	7.8	2.1	-0.7	1.4	0.5





LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: VI

**SUBJECT: INVESTMENT MANAGER CONTRACT WITH LOOMIS,
SAYLES & COMPANY, L.P. REGARDING THE MANAGEMENT OF AN
ACTIVE HIGH YIELD FIXED INCOME AND POSSIBLE COMMITTEE
ACTION**

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Committee recommend to the Board a three-year contract renewal with Loomis, Sayles & Company, L.P. for management of an active high yield fixed income portfolio.

Executive Summary

Loomis, Sayles & Company, L.P. (Loomis) has managed an active high yield fixed income portfolio for LACERS since October 2020. LACERS' portfolio was valued at \$416 million as of February 28, 2026. Loomis is in compliance with the LACERS Manager Monitoring Policy. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant, recommend a three-year contract renewal.

Discussion

Background

Loomis manages an active high yield fixed income portfolio for LACERS benchmarked against the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index. Loomis' U.S. High Yield strategy is benchmark aware and provides a diversified, actively managed exposure to the U.S. high yield fixed income market. The strategy seeks to outperform through issue and sector selection, highlighting the importance of a disciplined portfolio construction and risk assessment process. The strategy is managed

by a team of portfolio managers who include Matt Eagan (35 years of experience), Brian Kennedy (35 years of experience), Peter Sheehan (18 years of experience), Eric Williams (15 years of experience), and Chris Romanelli (20 years of experience). The U.S. High Yield team has dedicated investment strategists and key support professionals and has full access to the firm's wider resources, including teams in credit research, trading, risk management and macro strategies.

The Board hired Loomis through the 2019-2020 Active High Yield Fixed Income search process and authorized a three-year contract on February 11, 2020; the contract became effective on September 1, 2020. The Board then authorized a three-year contract renewal on May 23, 2023. The current contract expires on August 31, 2026. LACERS' portfolio was valued at \$416 million as of February 28, 2026.

Loomis also manages an active core fixed income portfolio for LACERS currently benchmarked against the Bloomberg U.S. Aggregate Bond Index. This core fixed income portfolio has undergone several mandate changes going back to its inception in July 1980. As of February 28, 2026, this core fixed income portfolio Loomis manages for LACERS was valued at \$711 million.

Organization

Loomis is headquartered in Boston and has over 800 employees, of whom approximately 333 are investment personnel. Loomis is a wholly-owned subsidiary of Natixis S.A., a publicly traded France-based firm offering corporate and investment banking, asset and wealth management, financial investments, payments, and insurance services. As of December 31, 2025, the firm managed over \$431.4 billion in total assets with about \$2.4 billion in the U.S. High Yield strategy.

Due Diligence

Staff conducts routine due diligence of the manager; in addition to meeting virtually for quarterly portfolio reviews and ad hoc investment discussions, LACERS staff conducted an onsite meeting at Loomis' headquarters in March 2026, to interview key personnel across the organization. These due diligence activities as well as staff's and NEPC's continuous monitoring find that Loomis' organization, investment philosophy, strategy, and process have remained stable over the contract period. This finding supports staff's and NEPC's assessment that Loomis maintains the ability to manage assets for LACERS under the high yield fixed income strategy and deliver its stated investment objectives.

Performance

As of February 28, 2026, Loomis has outperformed the benchmark over the 1-year and since inception time periods; and has underperformed the benchmark over the 3-month, 3-year, and 5-year time periods, as presented in the table below.

Annualized Performance as of 2/28/2026 (Net-of-Fees)

Time Period	3-Month	1-Year	3-Year	5-Year	Since Inception 10/28/2020
Loomis	1.26	7.75	9.17	4.13	5.60
Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index	1.27	7.18	9.42	4.50	5.46
<i>% of Excess Return</i>	<i>-0.01</i>	<i>0.57</i>	<i>-0.25</i>	<i>-0.37</i>	<i>0.14</i>

The underperformance against the benchmark over the 3-year and 5-year time periods can be mostly attributed to the negative excess return produced in calendar year 2023, as presented in the table below.

Calendar Year Performance as of 2/28/2026 (Net-of-Fees)

Time Period	2025	2024	2023	2022	2021	10/28/20 - 12/31/20
Loomis	9.17	8.89	10.98	-11.24	4.23	8.77
Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index	8.62	8.19	13.44	-11.18	5.26	5.82
<i>% of Excess Return</i>	<i>0.55</i>	<i>0.70</i>	<i>-2.46</i>	<i>-0.06</i>	<i>-1.03</i>	<i>2.95</i>

Although benchmarked against the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index, Loomis' investment management guidelines allow it the flexibility to invest in a variety of fixed income securities other than high yield on an opportunistic basis to help mitigate risk and enhance total return potential provided that at least 90% of the portfolio market value is invested in below investment grade fixed income securities. However, the underperformance against the benchmark in calendar year 2023 was largely attributable to effective overweight positioning in convertibles, emerging market debt and bank loans. More recently, the portfolio's allocation to convertibles, which as an asset class was able to capture equity upside seen during recent years, was the primary driver of the outperformance during calendar years 2024 and 2025. During that two-year period, the Fed cut interest rates by a cumulative 175 basis points, benefiting the high yield bond market. More than macroeconomic and sector positioning, Loomis aims to continue to outperform on the strength of its security selection, focusing on each name's long-term enterprise value while minimizing risks. As the foundation for its bottom-up credit work, Loomis intends to continue utilizing

credit cycle analysis to evaluate the factors driving the cycle, anticipate broad sector mispricing, and seek to take advantage of changes in risk premiums.

The Loomis high yield strategy was placed under watch status for a one-year period effective August 30, 2024. The portfolio's performance through June 30, 2024, triggered LACERS Manager Monitoring Policy watch list criteria, after registering two consecutive quarters of poor relative and risk-adjusted returns over the trailing five-year period. Parallel to the turnaround in performance seen in 2024 and 2025, the watch status was lifted, and Loomis is currently in compliance with the LACERS Manager Monitoring Policy. Staff and NEPC recommend renewing Loomis' contract for another three-year period and will continue to monitor the manager and strategy pursuant to policy.

Fees

For management of the high yield portfolio, LACERS pays Loomis an effective fee of 36 basis points (0.36%), which is approximately \$1.5 million annually based on the value of LACERS' assets as of March 31, 2026. This fee ranks in the 27th percentile of fees charged by similar managers in the eVestment database (i.e., 73% of like-managers have higher fees). Since inception, LACERS has paid Loomis, for the high yield portfolio only, a total of \$5.8 million in investment management fees as of March 31, 2026.

General Fund Consultant Opinion

NEPC concurs with this recommendation.

Prepared By:

Jeremiah Paras, Investment Officer II, Investment Division

Attachment: 1. Consultant Recommendation – NEPC



To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: April 14, 2026

Subject: Loomis, Sayles & Company, LP High Yield - Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract for high yield services that is currently in place with Loomis, Sayles & Company, LP ('Loomis' or 'Loomis Sayles') for a period of three years from the date of contract expiry.

Background

Loomis has been a high yield investment manager for LACERS since October 28, 2020. Loomis also manages a core fixed income portfolio for LACERS. As of February 28, 2026, Loomis managed \$416.4 million, or 1.5% of Plan assets, for the high yield portfolio. The portfolio is benchmarked against the Bloomberg U.S. High Yield 2% Issuer Cap Index and has a performance objective of outperforming the benchmark, net of fees, annualized over a full market cycle (normally three-to-five years). The Loomis portfolio is currently compliant with LACERS' manager monitoring policy.

Loomis traces its origins back to January 1926, when Robert H. Loomis and Ralph T. Sayles formed a partnership and established Loomis Sayles as an investment management company in Boston, Massachusetts. Since 2008, the firm is wholly owned by Natixis Investment Managers, a subsidiary of a firm formed by two shareholders Caisse Nationale des Caisses d'Epargne ("CNCE") and Banque Federale des Banques Populaires ("BFBP") who together form an entity named Groupe BPCE; a large banking group based in France. Groupe BPCE is the single voice of governance and strategic direction for Natixis. In 2021, Groupe BPCE completed a tender offer to purchase all outstanding public shares of Natixis. Loomis manages \$431 billion and employs 837 people as of December 31, 2025.

Loomis Sayles is one of over 15 investment affiliates wholly owned by Natixis. Natixis is described by Loomis management as the Bank of America of France. Two people from Natixis sit on the board of Loomis Sayles as of January 31, 2025. Loomis counts on Natixis for a distribution network outside the US. Loomis' client base is currently 29% retail and 71% institutional as of December 31, 2025. Relative to other Natixis affiliates, Loomis is strong in fixed income, and faces tougher competition for shelf space in the Natixis line-up on the equities side. From an incentive alignment standpoint, Loomis' ownership structure is stable and functioning. Natixis does place pressure on their asset managers to grow assets under management ('AUM'). Natixis allows Loomis significant

autonomy, permitting them control of investment decisions and day-to-day operations. Pre-bonus income, with certain adjustments, is split evenly with Natixis.

In January 2025, Natixis Investment Managers and Generali Investments Holdings signed a non-binding agreement to enter into a joint venture together where the two parties will each own 50% of the combined business. In December 2025, it was announced that the merger talks had ended and the deal would not take place. No changes to NEPC research ratings or statuses occurred as a result of these announcements.

Loomis' U.S. High Yield team's philosophy and approach is based on three considerations:

1. The market is inefficient pricing specific risk: fundamental research paints a clearer picture of intrinsic value. The team uses this foundation to identify mispriced securities when markets are short-term focused, illiquid, or irrational due to factors including fear and greed.
2. A credit cycle view can help identify opportunities and risks: the team follows a disciplined top-down framework to analyze the factors driving the macroeconomic cycle, evaluate how they might affect asset valuations, and seek to harvest credit risk premiums.
3. Risk management is integral, not an add-on: the team believes in a rigorous investment process that seeks to balance risk/reward tradeoffs effectively and integrates risk management at every step.

The team believes security selection can be most effective when paired with a rigorous top-down analysis of the macro environment. Credit cycle analysis is used to evaluate the factors driving the cycle, anticipate broad sector mispricing and seek to take advantage of changes in risk premiums at various stages of the cycle. The process helps the team identify which risk drivers they want to emphasize, or avoid in the portfolio, and it lays the foundation for bottom-up security selection.

The team includes portfolio managers Matthew Eagan, Brian Kennedy, Peter Sheehan, and Eric Williams, and associate portfolio manager Christopher Romanelli. Eric Williams joined Loomis Sayles in March 2025 as a portfolio manager for the Full Discretion Team. Previously, he was head of capital structure and senior portfolio manager at Northern Trust Asset Management. In the past year, the team has been realigned to improve alignment of process across different parts of the credit strategies, including bank loans. There have been some departures as part of this process, including Todd Vandam, Heather Young and Michael Klawitter, Portfolio Managers on the Full Discretion Team, and Alex Thieck, Investment Analyst on the Full Discretion Team. The team has gone through a full transition and the Full Discretion team is expected to be consistent in their approach to security selection.

Performance

Performance has been challenged in the past 5 years for the high yield strategy. High Yield as a whole has not been an easy sector for active management and Loomis has experienced performance challenges mainly resulting from idiosyncratic credit selections, particularly in the cable/ satellite sector.

NEPC calculates since inception performance from first full month of performance so there is a discrepancy between the LACERS custodian reported performance report. The performance numbers included in this document uses NEPC's performance. Exhibit 1 shows performance as of December 31, 2025. Since inception the portfolio has underperformed its benchmark's return by 0.3% and ranked in the 52nd percentile in its peer group. Exhibit 2 is as of February 28, 2026, and the portfolio has underperformed its benchmark by 0.2%. Underperformance in the portfolio can be attributed to Loomis' value orientation, and during 2022 and 2023, performance suffered due to the strategy's higher beta profile during a more late cycle, risk off environment.

Their active positions focus on cheap / undervalued names across sectors and ratings, and while performance may be challenged in the shorter term, they are expected to produce gains from higher yielding active positions focused on relative value vs. the security credit ratings.

Fees

The portfolio has an asset-based fee of 0.36% annually. This fee ranks in the 27th percentile among its peers in the eVestment U.S. High Yield Fixed Income universe. In other words, 73% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

Loomis has slightly underperformed its benchmark index since November 1, 2020. The portfolio is designed to be benchmark aware against the Bloomberg U.S. High Yield 2% Issuer Cap Index. The firm has exhibited stability in their investment strategy and philosophy, and the realignment of the team is expected to bring additional consistency in their process. NEPC recommends a contract renewal for a period of three years from the period of contract expiry.

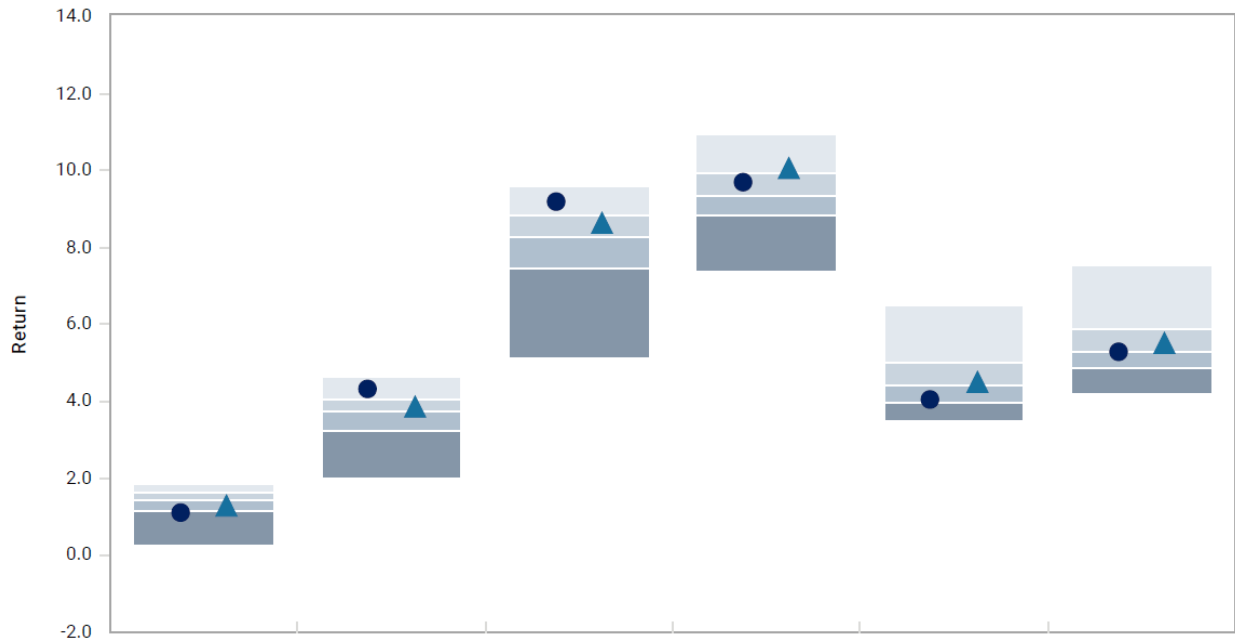
The following tables provide specific performance information, net of fees referenced above.

Exhibit 1: Universe Performance Comparison Net of Fees Ending December 31, 2025

Loomis Sayles High Yield vs. eV US High Yield Fixed Income



This chart compares Loomis Sayles and the Bloomberg US High Yield 2% Issuer Cap Index across six periods: 3 months, FYTD, 1 year, 3 years, 5 years, and since inception. The shaded bars show the range of peer universe returns, while the markers show the two compared results. Loomis Sayles outperforms the benchmark over FYTD and 1 year, and trails it over the 3-month, 3-year, 5-year, and since inception periods.



This table provides the detailed returns, percentile rankings, peer universe breakpoints, and population counts for the same six periods shown in the chart. It shows how Loomis Sayles and the Bloomberg US High Yield 2% Issuer Cap Index rank within the broader peer universe over time, with population sizes ranging from 214 to 238. Percentile rankings are indicated in parentheses with 1 indicating the highest ranking and 100 the lowest ranking.

	3 Mo %	FYTD %	1 YR %	3 YRS %	5 YRS %	Inception
• Loomis Sayles & Co. High Yield	1.1 (79)	4.3 (12)	9.2 (14)	9.7 (36)	4.1 (70)	5.3 (52)
▲ Blmbg. U.S. High Yield - 2% Issuer Cap	1.3 (61)	3.9 (38)	8.6 (33)	10.1 (20)	4.5 (43)	5.5 (39)
5 th Percentile	1.9	4.7	9.6	10.9	6.5	7.5
1 st Quartile	1.6	4.0	8.8	9.9	5.0	5.9
Median	1.4	3.7	8.2	9.3	4.4	5.3
3 rd Quartile	1.2	3.2	7.4	8.8	4.0	4.9
95 th Percentile	0.2	2.0	5.1	7.3	3.5	4.2
Population	238	238	238	229	215	214

Exhibit 2: Performance Comparison Net of Fees as of February 28, 2026

This table compares Loomis Sayles with the Bloomberg US High Yield 2% Issuer Cap Index across 1 month, FYTD, 1 year, 3 years, 5 years, and since inception as of February 28, 2026. It also includes an over/under row showing the difference between the two. Loomis Sayles outperforms the benchmark for FYTD and 1 year, and trails it over the one-month, 3-year, 5-year, and since inception periods.

	1 Mo	FYTD	1 YR	3 YRS	5 YRS	Inception	Inception Date
Loomis Sayles & Co. High Yield	0.0	5.1	7.8	9.2	4.1	5.2	Nov-20
Blmbg. U.S. High Yield - 2% Issuer Cap	0.2	4.6	7.2	9.4	4.5	5.5	
Over/Under	-0.2	0.5	0.6	-0.3	-0.4	-0.2	



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: VII

**SUBJECT: INVESTMENT COMMITTEE CHARTER REVIEW AND
POSSIBLE COMMITTEE ACTION**

ACTION **RECEIVE & FILE** **CONSENT** **CLOSED**

Recommendation

That the Committee review the Investment Committee Charter for possible revisions and provide further direction to staff.

Discussion

The Investment Committee Charter (Charter), initially adopted by the Board on March 28, 2017, establishes the Committee's governance framework and outlines its responsibilities. Section V of the Charter requires the Committee to conduct a routine review of the Charter at least once every three years to ensure it remains appropriate. The Committee last reviewed the Charter on May 9, 2023, resulting in the Board's approval of the existing Charter with no changes on June 13, 2023. Upon review of the current Charter, which includes minor revisions to duties and responsibilities, the Committee may direct staff to incorporate the Committee's proposed revisions for the Board's consideration.

Prepared By:

James Wang, Investment Officer I, Investment Division

Attachments: 1. Investment Committee Charter, Adopted March 24, 2020 (redline)
 2. Investment Committee Charter, Adopted March 24, 2020 (clean)

ARTICLE I. BOARD GOVERNANCE STATEMENT

Section 3.0 DUTIES AND RESPONSIBILITIES

3.9 Investment Committee Charter

Adoption: ~~March 24, 2020~~ May 12, 2026

I. PURPOSE/ROLE

The purpose of the Investment Committee (Committee) is to provide assistance to the Board in fulfilling its fiduciary oversight of the LACERS Investment Program.

II. AUTHORITY

The Committee is authorized by this Investment Committee Charter to:

- Present investment recommendations to the Board for consideration and action.
- Seek information from readily-available research resources to include (but not limited to) LACERS' investment staff, investment consultants, investment managers, master trust custodian, and proxy voting agent.
- Render opinions on investment matters that are either delegated by the Board or delineated in the Investment Policy Statement.

III. COMMITTEE MEETINGS

The Committee shall meet no less than four times a year, and more often as needed. Through the General Manager, the Chief Investment Officer will support the Committee's designated duties and responsibilities. Coordinating through the Commission Assistant, the Chief Investment Officer will assist the Chair of the Committee with administrative tasks, as follows:

- Establish dates and times of the Committee meetings.
- Develop the Committee agenda.
- Review the minutes.
- Draft Committee reports.
- Provide other assistance to prepare for future Committee meetings.

IV. DUTIES AND RESPONSIBILITIES

The Committee's primary duty is to consider investment matters and make appropriate recommendations to the Board for further consideration and action. The Committee's oversight duties and responsibilities extends to three broad but distinct investment functions:

1. Policy and Strategy

- Review the Investment Policy Statement at least annually; propose revisions and amendments as necessary.
- Review and monitor the asset allocation policy on a periodic basis.
- Review investment benchmarks as needed.

ARTICLE I. BOARD GOVERNANCE STATEMENT

Section 3.0 DUTIES AND RESPONSIBILITIES

- [Review Manager “On Watch” List and determine appropriate action consistent with the Manager Monitoring Policy.](#)

- Consider other investment matters that are consistent with the Committee Charter.

2. Operations

- Oversee the selection processes for hiring public market investment managers, investment consultants, and third-party investment support providers; make contracting recommendations consistent with the Investment Policy Statement and/or Board direction.
- Monitor public market investment managers, private market funds, investment consultants, and third-party investment support providers.
- Consider the termination of public market investment managers, consultants, and third-party investment support providers consistent with the Investment Policy Statement.
- Review investment activity reports including (but not limited to) the Emerging Investment Manager Program, Securities Lending Program, Proxy Voting, ~~and~~ Brokerage Commissions, [and Manager On-Watch List; refer any of these reports to the Board for further review, as may be deemed appropriate.](#)
- Provide advisory input to the General Manager regarding the selection of the Chief Investment Officer.
- Consider investment opportunities and strategies as recommended by staff and consultant.
- Refer investment opportunities to staff for further review and consideration.

3. Education

- Request investment education.
- Hear investment manager presentations.
- Receive off-site investment education as necessary.

V. CHARTER REVIEW

The Committee and the Board will review this Charter at least once every three years to ensure it remains appropriate. The Committee will recommend any changes to the Board for review and approval. The Board may amend the Charter at any time.

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