Investment Committee Agenda
REGULAR MEETING
TUESDAY, JULY 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

ACCESS TO LACERS BOARD AND COMMITTEE MEETING REPORTS

IMPORTANT MESSAGES TO THE PUBLIC

An opportunity for the public to address the Board in person from the Boardroom and provide comment on items of interest that are within the subject matter jurisdiction of the Board or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

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The Committee may take action on any item appearing on this agenda, regardless of whether it is listed as an action item. Cal. Gov. Code § 54954.2.

DISCLAIMER TO PARTICIPANTS

Please be advised that all LACERS Board meetings are recorded.

LACERS WEBSITE ADDRESS/LINK: www.LACERS.org

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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 MAY 12, 2026 AND POSSIBLE COMMITTEE ACTION

III. CHIEF INVESTMENT OFFICER VERBAL REPORT

IV. INVESTMENT MANAGER CONTRACT WITH WELLINGTON MANAGEMENT COMPANY LLP REGARDING THE MANAGEMENT OF AN ACTIVE EMERGING MARKET DEBT PORTFOLIO AND POSSIBLE COMMITTEE ACTION

V. ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM FOR THE PERIOD ENDING DECEMBER 31, 2025

VI. OTHER BUSINESS

VII. NEXT MEETING: The next Regular meeting of the Investment Committee is scheduled for Tuesday, August 11, 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

Board of Administration Agenda
SPECIAL MEETING
TUESDAY, JULY 14, 2026
10:30 A.M., OR IMMEDIATELY FOLLOWING THE BOARD MEETING
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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VIII. ADJOURNMENT

Committee Agenda of: June 9, 2026
Item No.: II

MINUTES OF THE REGULAR MEETING
INVESTMENT COMMITTEE
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
May 12, 2026
10:52 A.M.

Present:

Thuy Huynh, Chair

Susan Liem, Committee Member

Gaylord "Rusty" Roten, Committee Member

Legal Counselor:

Miguel Bahamon

Manager-Secretary:

Dale Wong-Nguyen

Executive Assistant:

Ani Ghoukassian

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 ON APRIL 14, 2026 AND POSSIBLE COMMITTEE ACTION – Committee Member Roten moved approval, and adopted by the following vote: Ayes, Committee Members Liem, Roten, and Chair Huynh -3; Nays, None.

III

CHIEF INVESTMENT OFFICER VERBAL REPORT – Wilkin Ly, Deputy Chief Investment Officer, discussed the following item:

- Distribution of the Investment Committee Forward Calendar
- Distribution of the Manager Watch List Report

IV

PRESENTATION BY TOWNSEND HOLDINGS LLC OF THE REAL ESTATE FISCAL YEAR 2026-2027 STRATEGIC PLAN AND POSSIBLE COMMITTEE ACTION – Jessica Chumak, Investment Officer I, Felix Fels, Principal, Rob Kochis, Managing Director, and Haya Daawi, Vice President, with Townsend Holdings LLC, presented and discussed this item with the Committee for 30 minutes. Committee Member Liem moved approval, and adopted by the following vote: Ayes, Committee Members Liem, Roten, and Chair Huynh -3; Nays, None.

V

INVESTMENT MANAGER CONTRACT WITH POLEN CAPITAL CREDIT, LLC, REGARDING THE MANAGEMENT OF AN ACTIVE HYBRID HIGH YIELD FIXED INCOME/U.S. FLOATING RATE BANK LOAN PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Jeremiah Paras, Investment Officer II, presented and discussed this item with the Committee for 15 minutes. Committee Member Liem moved approval, and adopted by the following vote: Ayes, Committee Members Liem, Roten, and Chair Huynh -3; Nays, None.

VI

ADAPTIVE ASSET ALLOCATION POLICY AND STATUS REPORT AND POSSIBLE COMMITTEE ACTION – James Wang, Investment Officer I, presented and discussed this item with the Committee for four minutes. Committee Member Roten moved approval, and adopted by the following vote: Ayes, Committee Members Liem, Roten, and Chair Huynh -3; Nays, None.

VII

OTHER BUSINESS – There was no other business.

VIII

NEXT MEETING: The next Regular meeting of the Investment Committee is scheduled for Tuesday, June 9, 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.

IX

ADJOURNMENT – There being no further business before the Committee, Chair Huynh adjourned the meeting at 11:49 A.M.

Thuy Huynh, Chair
Dale Wong-Nguyen, Manager-Secretary

LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE
MEETING: JULY 14, 2026
FROM: Todd Bouey, General Manager
ITEM: IV

SUBJECT: INVESTMENT MANAGER CONTRACT WITH WELLINGTON MANAGEMENT COMPANY LLP REGARDING THE MANAGEMENT OF AN ACTIVE EMERGING MARKET DEBT PORTFOLIO AND POSSIBLE COMMITTEE ACTION

☒ ACTION ☐ CLOSED ☐ CONSENT ☐ RECEIVE & FILE

Recommendation

That the Committee recommend to the Board a three-year contract renewal with Wellington Management Company LLP for management of an active emerging market debt portfolio.

Executive Summary

Wellington Management Company LLP (Wellington) has managed an active emerging market debt portfolio for LACERS since February 2021. LACERS' portfolio was valued at $581 million as of May 31, 2026. Wellington 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

Wellington manages an active emerging market debt portfolio for LACERS benchmarked against a custom benchmark consisting of a 50% weighting to the J.P. Morgan Emerging Market Bond Index (JPM EMBI) Global Diversified Index and a 50% weighting to the J.P. Morgan Government Bond Index-Emerging Markets (JPM GBI-EM) Global Diversified Index. Wellington's investment process begins with a thorough assessment of global economics and market conditions to develop a market outlook that sets the overall risk of the portfolio. An assessment of countries' ability and willingness to service external debt is formalized by a Wellington-developed country score that is used to identify relative value opportunities for the portfolio. The firm utilizes bottom-up corporate credit research, local debt analysis, and yield curve management to determine credit attractiveness. In addition, currency is considered with significant magnitude that warrants its own sector allocation strategy.

LACERS is invested in Wellington's Blended Opportunistic Emerging Markets Debt Strategy. This investment team is led by Senior Managing Director and Fixed Income Manager, Kevin Murphy (39 years industry experience), with support from portfolio managers Michael Henry (30 years industry experience) and Gillian Edgeworth (24 years industry experience). They lead a team of nine portfolio managers, supported by a team of 30 specialists that include five macro strategists, five corporate credit analysts, and four quantitative research analysts. LACERS' portfolio was valued at $581 million as of May 31, 2026.

The Board hired Wellington through the 2019-2020 Active Emerging Market Debt search process and authorized a three-year contract on September 8, 2020; the contract became effective on December 1, 2020. The Board approved a three-year contract renewal on August 22, 2023. The current contract expires on November 30, 2026.

Organization

Wellington is a private limited liability partnership owned by 184 partners, all of whom are fully active in the business of the firm. The firm is headquartered in Boston and has a total of 2,810 employees, of which 837 are investment professionals. As of March 31, 2026, the firm managed over $1.29 trillion in total assets with over $6.59 billion in the Blended Opportunistic Emerging Markets Debt 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 on-site meeting at Wellington's headquarters in April 2026. During the onsite meeting, staff heard several presentations and engaged in discussions with key personnel across the organization. Staff concluded that Wellington's investment philosophy, strategy, and process have not changed materially over the contract period. This finding supports staff's assessment that Wellington remains capable of consistency in managing LACERS assets and believes it can meet its stated investment objectives.

Performance

As presented in the following table, Wellington has outperformed its benchmark over the 1-year, 3-year, 5-year and since inception time periods, as of May 31, 2026. Over the more recent 3-month time period, the strategy registered a negative net excess return.

Annualized Performance as of 5/31/2026 (Net-of-Fees)

Time Period	3-Month	1-Year	3-Year	5-Year	Since Inception 2/5/2021
Wellington	-1.06	14.27	9.94	2.76	2.47
50% JPM EMBI Global Diversified Index/50% JPM GBI-EM Global Diversified Index	-0.81	12.16	9.66	2.24	1.97
% of Excess Return	*-0.25*	*2.11*	*0.28*	*0.52*	*0.50*

Calendar year returns are presented as supplemental information in the following table.

Calendar Year Performance as of 5/31/2026 (Net-of-Fees)

Time Period	1/1/26-5/31/26	2025	2024	2023	2022	2/5/21-12/31/21
Wellington	2.58	17.05	1.20	13.01	-13.44	-4.20
50% JPM EMBI Global Diversified Index/50% JPM GBI-EM Global Diversified Index	1.96	16.79	2.01	11.92	-14.75	-4.26
% of Excess Return	*0.62*	*0.26*	*-0.81*	*1.09*	*1.31*	*0.06*

Wellington is in compliance with the LACERS Manager Monitoring Policy.

Fees

LACERS pays Wellington an effective fee of 47 basis points (0.47%), which is approximately $2.7 million annually based on the value of LACERS' assets as of May 31, 2026. This fee ranks in the 60th percentile of fees charged by similar managers in the eVestment database (i.e., 40% of like-managers have higher fees). Since inception, LACERS has paid Wellington a total of $11.7 million in investment management fees as of May 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

INVESTMENT COMMITTEE MEETING DATE: JULY 14 , 2026

ITEM: IV

ATTACHMENT: 1

To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: July 14, 2026

Subject: Wellington Management Company LLC – Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System ('LACERS') renew the contract with Wellington Management Company LLP ('Wellington') for a period of three years from the date of contract expiry.

Background

Wellington has been an investment manager for LACERS since February 5, 2021 and manages an emerging markets fixed income portfolio within the Credit Opportunities asset class. As of May 31, 2026, Wellington managed $581.3 million, or 2.1% of Plan assets. The portfolio is benchmarked against a 50:50 split between the JPM EMBI Global Diversified Index and the JPM GBI-EM Global Diversified Index. The portfolio has a performance objective of outperforming the benchmark, net of fees, annualized over a full market cycle (normally three-to-five years). The portfolio is currently in good standing according to LACERS' manager monitoring policy.

Wellington traces its history back to 1928. As of March 31, 2026, the firm had $1.29 trillion in assets under management ('AUM') and focused on investments across asset classes including global equities, fixed income, currencies and commodities. Wellington is an independent, private partnership. The Managing Partners are responsible for the governance of the partnership. Headquartered in Boston, Massachusetts, Wellington has offices in Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Luxembourg; Singapore; Sydney; Tokyo; Toronto; and Zurich.

The lead portfolio manager on the LACERS portfolio is Kevin Murphy, Portfolio Manager, and he is supported by Michael Henry, Portfolio Manager, and Gillian Edgeworth, Macro Strategist. Wellington's Emerging Markets Debt team relies on dedicated research analysts which includes macro strategists, fixed income credit analysts and fixed income strategists. The macro strategists are responsible for having a view on country fundamentals, local rates, and local currencies. They express their recommendations on a graduated scale: Top Perform, Outperform, Market weight, Underperform, Sell. The corporate analysts use a similar framework. Country fundamental assessments are core to the research process and incorporate both quantitative and fundamental factors. The fixed income strategists maintain and enhance the quantitative models that are a critical component of our research process. The research team is located in a small number of global offices, with the majority of analysts based in Boston.

The portfolio's investment philosophy is based upon three principles. First, that emerging markets must be approached from a global perspective. Second, market inefficiencies can be exploited by using proprietary quantitative and fundamental research and a disciplined investment process. Third, the risks associated with investing in emerging markets must be managed across multiple dimensions.

The investment process begins with an assessment of global economics and market conditions. Wellington combines top-down macroeconomic analysis with detailed bottom-up research to identify key secular trends, assess cyclical risks and compare valuations across sectors and markets to determine the outlook for emerging markets debt and currency markets. This market outlook helps determine the overall risk level of the portfolio. The team then employs proprietary quantitative techniques and fundamental research to analyze the drivers of sovereign, corporate, currency, and local debt markets across approximately 80 emerging markets countries.

The portfolio managers are responsible for constructing the LACERS portfolio with Kevin Murphy having final responsibility. They review the best ideas that come out of our research process and select the positions best suited to meet the overall portfolio objectives established. Typically, the investment horizon on a holding is three-to- twelve months. The portfolio will invest across the full opportunity set in emerging markets debt including sovereign and corporate debt of emerging markets countries, as well as local-currency denominated debt on both a hedged and an unhedged basis.

Performance

Referring to Exhibit 1, as of May 31, 2026, since the portfolio's inception date of February 1, 2021, the portfolio has outperformed its benchmark by 0.5%. Over the last five years, the portfolio has outperformed the benchmark by 0.5% and over the last three years the portfolio has outperformed by 0.3%. Both near-term and long-term performance have been favorable.

Referring to Exhibit 2, since February 1, 2021, the Wellington portfolio has outperformed its index by 0.4%, net of fees, and ranked in the 63rd percentile of its peer universe as of March 31, 2026. In the one-year period ended March 31, 2026, the portfolio outperformed the index by 1.1%, ranking in the 27th percentile. In the three-year period, the portfolio underperformed by 0.1% and ranked in the 56th percentile. In the five-year period, the portfolio outperformed the index by 0.5%, ranking in the 53rd percentile.

Fees

The portfolio has an asset-based fee of 0.47% annually. This fee ranks in the 60th percentile among its peers in the eVestment Global Emerging Markets Fixed Income –

Blended Currency universe. In other words, 40% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

Wellington has performed in-line with expectations and has outperformed the benchmark since inception. The firm and portfolio management team have exhibited stability in team and investment process. NEPC recommends a contract extension 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: Performance Comparison Net of Fees as of May 31, 2026

This table compares Wellington with the blended benchmark 50% JPM EMBI Global Diversified Index / 50% JPM GBI-EM Global Diversified Index across 1 month, YTD, FYTD, 1 year, 3 years, 5 years, and since inception as of May 31, 2026. The inception period begins on February 1, 2021. The table also includes an over/under row showing the difference between the strategy and benchmark. Wellington outperforms the benchmark for every time period, with the strongest relative outperformance shown in the 1-year and FYTD periods.

Strategy vs. Benchmark	1 Mo %	YTD %	FYTD %	1 YR %	3 YR %	5 YR %	Inception
Wellington	1.0	2.6	10.9	14.3	9.9	2.8	2.5
50% JPM EMBI Global Diversified Index / 50% JPM GBI-EM Global Diversified Index	0.9	2.0	9.3	12.2	9.7	2.2	2.0
Over/Under	0.1	0.6	1.6	2.1	0.3	0.5	0.5

Exhibit 2: Universe Performance Comparison Net of Fees Ending March 31, 2026

Wellington vs. eV All Emerging Markets Fixed Income

This table provides the detailed returns, percentile rankings, peer universe breakpoints, and population counts across 3 months, FYTD, 1 year, 3 years, 5 years, and since inception as of March 31, 2026. The inception period begins on February 1, 2021. The table shows how Wellington and the benchmark rank within the broader peer universe over time, with population sizes ranging from 284 to 330. 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 %	Inception
Wellington	-1.8 (69)	6.2 (35)	12.2 (27)	8.1 (56)	2.8 (53)	1.7 (63)
50% JPM EMBI Global Diversified Index / 50% JPM GBI-EM Global Diversified Index	-1.7 (68)	5.3 (47)	11.1 (45)	8.2 (55)	2.3 (69)	1.3 (72)
5th Percentile	1.5	10.7	17.2	13.9	6.3	5.7
1st Quartile	-0.6	7.1	12.3	10.2	3.7	2.9
Median	-1.3	5.2	10.6	8.5	2.8	2.0
3rd Quartile	-2.0	3.7	6.6	7.1	2.1	1.2
95th Percentile	-3.0	2.3	4.3	5.6	0.4	-0.4
Population	330	329	329	317	286	284

REPORT TO INVESTMENT COMMITTEE

MEETING: JULY 14, 2026

FROM: Todd Bouey, General Manager

ITEM: V

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM FOR THE PERIOD ENDING DECEMBER 31, 2025

☐ ACTION ☒ RECEIVE & FILE ☐ CONSENT ☐ CLOSED

Recommendation

That the Committee receive and file this report.

Executive Summary

LACERS' Emerging Investment Manager Program aims to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio. This report highlights the Emerging Investment Manager firms hired, dollar amounts awarded, and staff and consultant efforts to increase Emerging Investment Manager representation in the LACERS investment portfolio in calendar year 2025.

Discussion

Background

LACERS' Emerging Investment Manager Policy (Policy) was adopted on February 14, 2012, and was most recently revised on May 25, 2021. The Policy identifies guidelines and sets goals to hire and retain Emerging Investment Managers that would otherwise not be identified in the standard LACERS investment manager search process in order to add value to the LACERS investment portfolio. Smaller investment management firms may generate superior performance returns due to increased market flexibility associated with smaller asset bases. The Policy sets a goal of funding Emerging

Investment Managers at no less than 10% of available capital and provides minimum criteria for firms to qualify as an Emerging Investment Manager.

Pursuant to the Policy, this annual report provides the status of the Emerging Investment Manager Program for the year ending December 31, 2025, including the following information:

1. Names and dollar amounts awarded to Emerging Investment Managers
2. Report of Emerging Investment Manager goal metrics
3. List of all investment manager searches
4. Staff and consultant efforts to increase the visibility of LACERS' investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio
5. Performance data for funds managed by Emerging Investment Managers

1. Names and Dollar Amounts Awarded to Emerging Investment Managers in 2025

Manager	Style	Asset Class	Investment/ Commitment	Consultant
Auldbrass Partners Secondary Opportunity Fund IV, LP	Secondaries	Private Equity	$25,000,000	Aksia LLC
Enhanced Healthcare Partners II, LP	Buyout	Private Equity	$20,000,000	Aksia LLC
Caro Real Estate Credit Fund, L.P.	Direct Lending - Real Estate	Private Credit	$25,000,000	Aksia LLC
Square Nine Specialty Credit Fund I LP	Direct Lending - U.S.	Private Credit	$20,000,000	Aksia LLC

2. Emerging Investment Manager Goal Metrics

The Policy sets a goal for Emerging Investment Manager exposure in public and private market asset classes at no less than 10%.

Public Markets
For each public markets asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

In calendar year 2025, there were no public markets searches initiated.

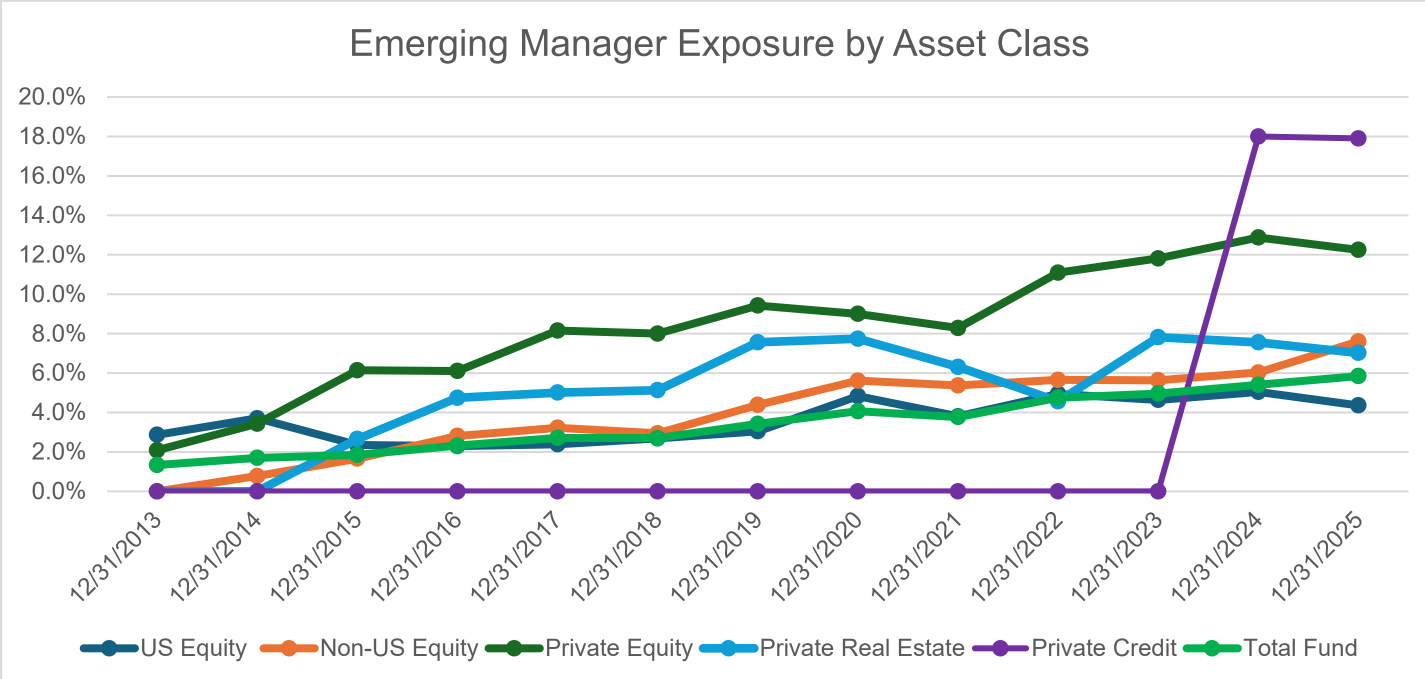
Public Market Asset Classes	Emerging Manager Exposure (Metric 1)	Public Markets Manager Searches (Metric 2)
U.S. Equity	4.4%	N/A
Non-U.S. Equity	7.6%	N/A
Core Fixed Income	0.0%	N/A
Credit Opportunities	0.0%	N/A
Public Real Assets	0.0%	N/A

Private Markets

For each private markets asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2025.

Private Market Asset Classes	Asset Class (Metric 1)	Manager Search (Metric 2)
Private Equity	12.3%	10.6%
Private Real Estate	7.0%	7.5%
Private Credit	17.9%	10.1%

On a fund-number basis for the 36-month period ending December 31, 2025, LACERS authorized commitments to a total of 9 private equity Emerging Investment Managers out of 55 private equity funds (16%), 1 real estate Emerging Investment Managers out of 11 real estate funds (9%), and 5 private credit Emerging Investment Managers out of 19 private credit funds (26%).



Asset Class	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
U.S. Equity	2.9%	3.7%	2.4%	2.3%	2.4%	2.7%	3.0%	4.8%	3.8%	4.9%	4.6%	5.0%	4.4%
Non-U.S. Equity	0.0%	0.8%	1.5%	2.8%	3.2%	2.9%	4.4%	5.6%	5.4%	5.7%	5.5%	6.0%	7.6%
Private Equity	2.1%	3.4%	6.1%	6.1%	8.2%	8.0%	9.4%	9.0%	8.3%	11.1%	11.8%	12.9%	12.3%
Private Real Estate	0.0%	0.0%	2.7%	4.7%	5.0%	5.1%	7.6%	7.7%	6.3%	4.6%	7.8%	7.6%	7.0%
Private Credit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	18.0%	17.9%
Total Fund	1.3%	1.7%	1.8%	2.3%	2.7%	2.7%	3.4%	4.1%	3.8%	4.7%	5.0%	5.7%	5.8%

3. Searches Conducted in 2025

Searches Initiated:

- N/A

Searches Completed:

- N/A

4. Efforts to Increase Visibility and Representation of Emerging Investment Managers

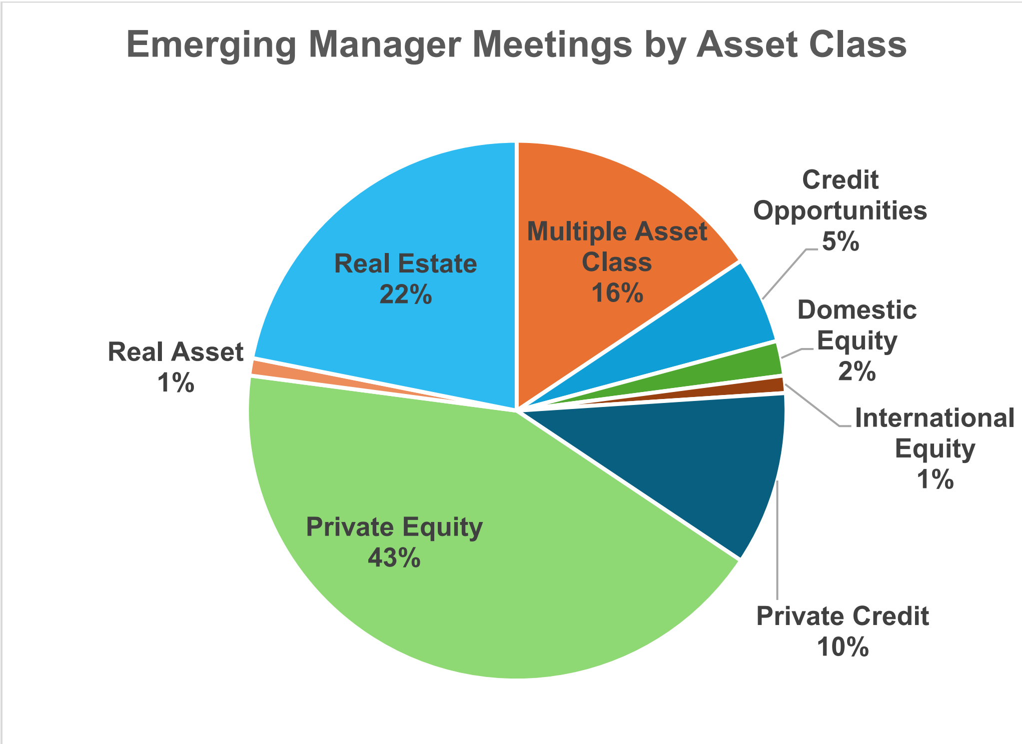
Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During calendar year 2025, staff participated in the following emerging manager networking and meeting events:

2025 Emerging Manager Events	
February	The Teacher Retirement of Texas (TRS) and Employees Retirement System of Texas (ERS) Emerging Manager Conference
March	SEO Conference
March	NASP So Cal Emerging Manager Conference
July	TIDE Exchange
September	IDAC Global Summit
September	Women's Alliance Conference
October	PEWIN
October	GCM Grosvenor Small and Emerging Manager Conference
November	LACERS Emerging Manager Networking Forum
November	TOIGO

In 2025, LACERS co-hosted its annual Emerging Manager Networking Forum with Los Angeles Fire and Police Pensions (LAFPP). This event was geared toward qualified Emerging Managers based on LACERS' and LAFPP's Emerging Manager Policy criteria and consisted of 20 twenty-five-minute meeting slots randomly allocated to interested firms. Firms that were not selected for the twenty-five-minute time slots were invited to meet Staff during the Meet and Greet portion of the event. A total of 47 emerging managers from 30 firms attended the event. In addition, consultants from both LACERS and LAFPP attended the event.

Additionally, staff regularly meets with emerging managers. During the calendar year 2025, staff held a total of 96 emerging manager meetings depicted by asset classes in the chart below.



Consultants
LACERS retains three investment consultants. The consultants' respective emerging manager activities for the one-year period ending December 31, 2025, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
NEPC, LLC (General)	250	16	$3.4 billion / 26 managers
Aksia LLC (Private Equity)	463	20	$55 million / 4 managers
The Townsend Group (Real Estate)	95	13	$907.1 million / 5 managers
Aksia LLC (Private Credit)	72	20	$269.1 million / 9 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant.

5. Performance Data of LACERS Emerging Investment Managers (as of 12/31/2025)

A. Public Markets Performance

Public Markets Managers Performance (Net-of-Fees)	Inception Date	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc.[1]	Jan-2014	31.36	19.33	14.78	-0.29	7.01
MSCI EAFE Small Cap Index		31.83	15.86	14.95	5.62	6.46
Excess Return		*-0.48*	*3.47*	*-0.18*	*-5.92*	*0.55*
Informed Momentum Company[2]	Sep-2015	10.26	17.88	14.20	1.26	9.82
Russell 2000 Growth Index		13.01	14.08	15.59	3.18	9.78
Excess Return		*-2.75*	*3.80*	*-1.39*	*-1.92*	*0.04*
Granahan Investment Management, Inc.[3]	Aug-2020	2.38	13.05	12.26	-0.67	5.55
Russell 2000 Growth Index		13.01	14.08	15.59	3.18	8.24
Excess Return		*-10.63*	*-1.03*	*-1.97*	*-3.85*	*-2.69*

Public Markets Managers Peer Comparison	Universe	Number of Peers in Universe	5-Year Return % (Peer Rank)	5-Year Peer Median Return %	5-Year Sharpe Ratio (Peer Rank)	5-Year Sharpe Ratio Median
Oberweis Asset Management, Inc.	eV EAFE Small Cap Equity Net Median	72	-0.29 (95th)	7.08	-0.09 (93rd)	0.31
Informed Momentum Company	eV US Small Cap Growth Equity Net Median	150	1.26 (63rd)	2.79	0.01 (61st)	0.08
Granahan Investment Management, Inc.	eV US Small Cap Growth Equity Net Median	150	-0.67 (82nd)	2.79	-0.02 (71st)	0.08

B. Real Estate Performance

LACERS Real Estate Manager Comparison as of December 31, 2025[4]				
	Net IRR	DPI	RVPI	TVPI
Real Estate Investments Since 2015 (Ex Emerging Managers)	4.81%	0.21	0.98	1.19
Emerging Manager Investments Since 2015	6.44%	0.45	0.87	1.32

1 Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as firm assets under management exceed $2 billion.

2 Account funded on October 1, 2015. Manager no longer meets the LACERS definition of an emerging manager as firm assets under management exceed $2 billion. Informed Momentum Company rebranded from EAM as of 2/4/25.

3 Account funded on October 1, 2020. Manager no longer meets the LACERS definition of an emerging manager as firm assets under management exceed $2 billion.

4 IRR – Internal Rate of Return, DPI – Distributed to Paid-In Capital, RVPI – Residual Value to Paid-In Capital, TVPI – Total Value to Paid-In Capital.

Private Real Estate Emerging Fund Managers	Vintage Year	Net IRR[6]	Return Multiple	Sourced By
Gerrity Retail Fund 2, LP	2015	2.3%	1.2x	Townsend Group
Asana Partners Fund I, LP	2017	9.4%	1.8x	Townsend Group
Broadview Real Estate Partners Fund, LP	2019	13.7%	1.4x	Townsend Group
NB Partners Fund IV, LP	2023	1.8%	1.0x	Townsend Group

C. Private Equity Performance

LACERS Private Equity Manager Comparison as of December 31, 2025			
	Net IRR[6]	DPI	Net TVPI
Total Portfolio	11.9%	1.00	1.68
Core Portfolio	12.3%	1.03	1.69
Core ex Emerging Managers	12.3%	1.02	1.70
Private Credit Portfolio	9.5%	0.25	1.21
Specialized Portfolio	1.6%	1.06	1.11
Emerging Manager (VY2013+)	15.6%	0.56	1.59

Notes: Excludes VY (2025, 2024, 2023)

Barings Emerging Generation Fund has a portfolio of emerging managers via a fund of fund structure and is included in calculation.

Private Equity Emerging Fund Managers (Vintages 2013 to 2025)	Vintage Year	Net IRR[5]	Return Multiple	Sourced By
High Road Capital Partners Fund II, LP	2013	11.9%	1.6x	Hamilton Lane
Blue Sea Capital Fund I, LP	2014	18.8%	2.4x	Portfolio Advisors
Oak HC/FT Partners, LP	2014	21.7%	2.7x	Portfolio Advisors
1315 Capital, LP	2015	16.4%	2.2x	Portfolio Advisors
New Water Capital Partners, LP	2015	10.3%	1.4x	Portfolio Advisors
Angeles Equity Partners I, LP	2015	13.4%	1.5x	Portfolio Advisors
CenterGate Capital Partners I, LP	2015	17.0%	1.8x	Portfolio Advisors
Sunstone Partners I, LP	2016	32.6%	3.1x	Portfolio Advisors
Defy Partners I, LP	2017	14.4%	2.1x	Portfolio Advisors
NMS Fund III, LP	2017	15.2%	1.8x	Portfolio Advisors
Oak HC/FT Partners II, LP	2017	23.8%	3.0x	Portfolio Advisors

[5] A private market fund typically yields a low or negative IRR during its early life “J Curve” period.

Private Equity Emerging Fund Managers (Vintages 2013 to 2025)	Vintage Year	Net IRR[5]	Return Multiple	Sourced By
Astra Partners I, LP	2017	1.3%	1.1x	Portfolio Advisors
Mill Point Capital Partners, LP	2018	17.6%	1.9x	Portfolio Advisors
1315 Capital Fund II, LP	2018	11.9%	1.4x	Portfolio Advisors
Defy Partners II, LP	2019	24.5%	2.5x	Aksia LLC
P4G Capital Partners I, LP	2019	19.5%	1.7x	Aksia LLC
Sunstone Partners II, LP	2019	17.8%	1.6x	Aksia LLC
OceanSound Partners Fund, LP	2020	21.3%	2.0x	Aksia LLC
Builders VC Fund II, LP	2020	5.3%	1.2x	Aksia LLC
ULU Ventures Fund III, LP	2021	-11.1%	0.6x	Aksia LLC
Mill Point Capital Partners II, LP	2021	23.7%	1.4x	Aksia LLC
Avance Investment Partners, LP	2021	15.1%	1.3x	Aksia LLC
Biospring Partners Fund, LP	2021	6.5%	1.2x	Aksia LLC
Defy Partners III, LP	2021	-5.0%	0.9x	Aksia LLC
LightBay Investment Partners II, L.P.	2022	-1.6%	1.0x	Aksia LLC
1315 Capital III, L.P.	2022	-0.8%	1.0x	Aksia LLC
L2 Point Opportunities I, L.P.	2022	10.0%	1.4x	Aksia LLC
Auldbrass Partners Secondary Opportunity Fund III, L.P.	2022	13.3%	1.3x	Aksia LLC
Sunstone Partners III-Main, LP	2022	-17.0%	0.8x	Aksia LLC
OceanSound Partners Fund II, LP	2023	20.0%	1.4x	Aksia LLC
Ulu Ventures Fund IV, LP	2023	-10.8%	0.9x	Aksia LLC
3 Boomerang Capital	2023	30.0%	1.3x	Aksia LLC
Builders VC Fund III, LP	2024	-	0.9x	Aksia LLC
KLC (Knox Lane) Fund II, LP	2024	5.3%	1.0x	Aksia LLC
Biospring Partners Fund II, LP	2024	-	-	Aksia LLC
Centana Growth Partners III, LP	2024	-15.9%	0.9x	Aksia LLC
Enhanced Healthcare Partners II, LP	2025	-	-	Aksia LLC
Auldbrass Partners Secondary Opportunity Fund IV, L.P.	2025	-	-	Aksia LLC

[5] A private market fund typically yields a low or negative IRR during its early life “J Curve” period.

D. Private Credit Performance

Private Credit Emerging Fund Managers	Vintage Year	Net IRR[5]	Return Multiple	Sourced By
Centre Lane Credit Partners III, L.P.	2024	n.m.	1.2	Aksia LLC
Putnam Hill Private Credit Fund (Leveraged)	2024	n.m.	1.0	Aksia LLC
Mavik Real Estate Special Opportunities VS2, LP	2024	n.m.	-	Aksia LLC
Caro Real Estate Credit Fund, L.P.	2025	n.m.	-	Aksia LLC
Square Nine Specialty Credit Fund I LP	2025	n.m.	-	Aksia LLC

Notes: n.m. = not meaningful

Prepared By:

Ricky Mulawin, Management Analyst, Investment Division

[5] A private market fund typically yields a low or negative IRR during its early life “J Curve” period.