

---

# AGENDA

## BOARD OF FIRE AND POLICE PENSION

### COMMISSIONERS

February 5, 2026  
8:30 a.m.

Sam Diannitto Boardroom  
Los Angeles Fire and Police Pensions Building  
701 East 3rd Street, Suite 400  
Los Angeles, CA 90013

---

#### **Important Message to the Public:**

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board or applicable Committee of the Board in advance of their meetings may be viewed at the [Meetings](#) page of [LAFPP's website](#), at [LAFPP's offices](#), or at the scheduled meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact the Commission Executive Assistant, at (213) 279-3178 or by e-mail at [pensions@lafpp.com](mailto:pensions@lafpp.com).

Members of the public who wish to attend the Board or Committee meeting in person must provide government issued photo identification. Alternatively, members of the public will have the opportunity to observe the meeting via livestream. Please refer to the Top Stories section of [LAFPP's website](#) during the week of the Board meeting to access the livestreaming link.

An opportunity for the public to address the Board or Committee about any item on today's agenda for which there has been no previous opportunity for public comment will be provided before or during consideration of the item. Members of the public who attend in person and wish to speak on any item on today's agenda are requested to complete a speaker card for each item they wish to address and present the completed card(s) to the Commission Executive Assistant. Speaker cards are available at the Commission Executive Assistant's desk. Members of the public who observe via livestream and wish to speak on any item on today's agenda are requested to call (669) 900-9128 or (346) 248-7799 and enter Meeting ID 898 405 2575 and Passcode 501554 (Please note: Toll charges may apply).

**Request for Services:** As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), Language Translation and Interpretation Services, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days' notice is strongly recommended. For language translation and interpretation services, please submit your request, including the language required, as soon as possible to allow time for scheduling; you will receive a confirmation reply if an interpreter is available. For additional information or to make requests for any of the above accommodations, please contact the Department of Fire and Police Pensions: (213) 279-3000 voice; (213) 628-7713 TDD; and/or email [pensions@lafpp.com](mailto:pensions@lafpp.com).

**Notice to Paid Representatives:** If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 et seq. More information is available at [ethics.lacity.org/lobbying](http://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto:ethics.commission@lacity.org).

**A. CALL TO ORDER**

1. Roll Call
2. Consideration of Notices of Remote Participation for Just Cause pursuant to SB 707

**B. PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION AND ANY SPECIFIC AGENDA ITEMS**

**C. DISABILITY CASE**

Alternative 2

1. Firefighter III Eric J. Stevens. Mr. Stevens will be represented by Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin and Lee, LLP.

**D. CONSENT ITEMS**

1. MAXIMUM RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY FOR FISCAL YEAR 2026-2027 AND POSSIBLE BOARD ACTION
2. APPROVAL OF TRAVEL AUTHORITY (GOYA) – IFE BP, WHARTON SCHOOL, PORTFOLIO CONCEPTS AND MANAGEMENT PROGRAM
3. APPROVAL OF TRAVEL AUTHORITY (MEZA CONTRERAS) - IFE BP, WHARTON SCHOOL, PORTFOLIO CONCEPTS AND MANAGEMENT PROGRAM
4. Findings of Fact
  - a. Katherine A. O'Brien - Tier 5

**E. REPORTS TO THE BOARD**

1. CONTINUED DISCUSSION OF FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION
2. SEMI-ANNUAL REPORT ON EMERGING MANAGER OUTREACH AND EDUCATION
3. ANNUAL FIDUCIARY AND LEGAL EDUCATION

**F. GENERAL MANAGER'S REPORT**

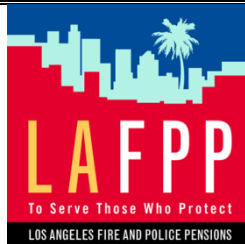
1. Benefits Actions approved by General Manager on January 15, 2026
2. Other business relating to Department operations

**G. CONSIDERATION OF FUTURE AGENDA ITEMS**

February 5, 2026

#### **H. CLOSED SESSION**

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO RECONSIDER THE PURCHASE OF ONE (1) PARTICULAR, SPECIFIC INVESTMENT AND POSSIBLE BOARD ACTION
2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF ONE (1) PARTICULAR, SPECIFIC INVESTMENT AND POSSIBLE BOARD ACTION



## **DEPARTMENT OF FIRE AND POLICE PENSIONS**

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** FEBRUARY 5, 2026

**ITEM:** D.1

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT:** MAXIMUM RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY FOR FISCAL YEAR 2026-2027 AND POSSIBLE BOARD ACTION

---

#### **RECOMMENDATION**

That the Board adopt the attached resolution increasing the maximum retired sworn non-Medicare health subsidy by 5.2% to \$2,523.00 per month, effective July 1, 2026.

#### **DISCUSSION**

On May 2, 2024, the Board adopted Section 8.4 of the Board Operating Policies and Procedures, which specifies the formula to be used for determining future non-Medicare health subsidy increases for retired members as follows:

*“Beginning with the increase in the maximum Non-Medicare Health Subsidy effective July 1, 2024, the Board shall determine the increase to the maximum retired sworn Non-Medicare Health Subsidy as the lesser of:*

- 1. The average of the annual increase in the Los Angeles Medical Care Index published by the U.S. Bureau of Labor Statistics as of the previous December and 7%; or*
- 2. The maximum allowable increase to the Non-Medicare Health Subsidy pursuant to Los Angeles Administrative Code Section 4.1154(e).”*

The Los Angeles Medical Care Index increased from 592.940 in December 2024 to 612.775 in December 2025, or by 3.35% (Attachment 2). The average of the change in the Los Angeles Medical Care Index (+3.35%) and 7% is equal to 5.2%. Since the maximum allowable increase to the Non-Medicare Health Subsidy pursuant to Administrative Code Section 4.1154(e) is 7% for this year, it is therefore recommended that the non-Medicare health subsidy be increased by 5.2% to \$2,523.00 per month, effective July 1, 2026.

Adopting the maximum non-Medicare subsidy at this time will allow Los Angeles Firemen’s Relief Association, Los Angeles Police Relief Association, and United Firefighters of Los Angeles City to include accurate subsidy information in their 2026 open enrollment materials.



**BUDGET**

The preliminary health subsidy budget request for FY 2026-27 is \$190 million, which includes the recommended 5.2% increase to the maximum non-Medicare subsidy, as well as anticipated increases in pensioner enrollment and an estimated increase of 6.5% to the Medicare subsidy effective December 31, 2026.

**POLICY**

No policy changes as recommended.

**CONTRACTOR DISCLOSURE INFORMATION**

There is no contractor disclosure information required with this report.

This report was prepared by:

Jennifer Chan, Manager  
Medical and Dental Benefits Section

JS:GM:AT:JC

Attachments (2)

- Attachment 1: Resolution - Maximum Retired Sworn Non-Medicare Health Subsidy for FY 2026-27
- Attachment 2: 10-Year History of Los Angeles Medical Care Index - U.S. Bureau of Labor Statistics

APPROVAL OF MAXIMUM RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY  
FOR FISCAL YEAR 2026-2027

RESOLUTION

WHEREAS, retired members of the Fire and Police Pension Plan, Tiers 1, 2, 3, 4, 5 and 6, have had paid, on their behalf, a health insurance premium subsidy, or have received a reimbursement, in accordance with the provisions of Section 4.1154 of the Administrative Code and Section 8.2 of the Board Operating Policies and Procedures; and

WHEREAS, the Board of Fire and Police Pension Commissioners has been granted the authority under Administrative Code Section 4.1154(e) to increase or decrease the maximum monthly amount of the health insurance subsidy in accordance with the authority conferred in subsections (e) of Sections 1330, 1428, 1518, 1618 and 1718 of the Charter and subsection (e) of Section 4.2018 of the Administrative Code; and

WHEREAS, the pre-65 actuarial assumed medical trend rate for the 2026-2027 fiscal year as adopted by the Board in the plan's most recent actuarial valuation is equal to 7.00%;

RESOLVED, that the maximum monthly health insurance premium subsidy as described in Section 4.1154 (e) of the Administrative Code shall be \$2,523.00, payable on behalf of the members and their eligible dependents (as such term is defined in the Board-approved health insurance plans) or received as a reimbursement; and

RESOLVED, that retired members of age 60 and above with 10 or more years of service who retired with an effective date prior to July 1, 1998, and retired members of age 55 and above with 10 or more years of service who retired with an effective date of July 1, 1998 or after, who do not qualify for Part A of Medicare, shall have paid to their respective approved third-party administrator or health insurance carrier a monthly health insurance subsidy, or paid directly to the member as a reimbursement, an amount of \$100.92 for each whole year of service; said subsidy to apply first to that portion of the premium applicable to the retired member with any remainder to be applied to the dependent(s) of said member; and

RESOLVED, that retired members who qualify for federally funded Part A of Medicare shall have paid to their respective approved third-party administrator or health insurance carrier, a subsidy as provided in Administrative Code Section 4.1154(c); and

RESOLVED, that retired members of the Fire and Police Pension Plan, Tier 6, who retired under the provisions of Section 1706(a) of the Charter with less than 10 years of service, who are age 55 or older, are not eligible for a subsidy from any other source, and who are not eligible for Medicare or are enrolled in Medicare Part B but not Part A shall have paid to their approved third-party administrator or health insurance carrier \$1,009.20 per month, or 40% of the single-party cost of their approved health plan, whichever is lower; and

RESOLVED, that retired members of the Fire and Police Pension Plan, Tier 6, who retired under the provisions of Section 1706(a) of the Charter with less than 10 years of service, who are age 55 or older, are not eligible for a subsidy from any other source, and who are enrolled in Medicare Parts A and B shall have paid to their approved third-party administrator or health insurance carrier 75% of the qualifying monthly premium as described in Section 4.1154(c) of the Administrative Code, or 75% of the single-party cost of their approved health plan, whichever is lower; and

RESOLVED, that subsidies paid on behalf of retired members, the dependents of retired members, and qualified surviving spouses/domestic partners who are eligible to enroll in Medicare Parts A and B or Medicare Part B but not Part A shall be subject to the limits described in Board Operating Policy 8.2; and

RESOLVED, the health insurance premium subsidy provided herein shall be applied against the June 30, 2026 and subsequent monthly health insurance premiums or at the earliest month thereafter which is administratively feasible, and shall remain in effect until modified or cancelled by subsequent action of the Board; and

RESOLVED, that the General Manager of the Department of Fire and Police Pensions be authorized to cause demands to be drawn upon the 401(h) account of the Fire and Police Pension Plan until it is depleted, and thereafter drawn from the 115 Trust account, to be paid to the third-party administrators or health insurance carriers through which health insurance is provided for subsidy payments applying the health insurance premiums to said eligible members in advance of or after the effective date of enrollment or change in coverage, or directly to the member in the case of a reimbursement; providing such subsidy payments have been verified against records kept by the Department of Fire and Police Pensions and found to be correct and proper and that individual subsidy amounts are within the limits set forth in the Los Angeles City Administrative Code.

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Board of Fire and Police Pension Commissioners at its regular meeting held on February 5, 2026.


---

Joseph Salazar  
General Manager

## Databases, Tables & Calculators by Subject

 [Special Notices](#) 1/14/2026

Change Output Options:

From:  To:  

☐ include graphs ☐ include annual averages

[More Formatting Options](#) 

Data extracted on: January 22, 2026 (12:50:36 PM)

### Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUURS49ASAM,CUUSS49ASAM  
 Not Seasonally Adjusted  
**Series Title:** Medical care in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted  
**Area:** Los Angeles-Long Beach-Anaheim, CA  
**Item:** Medical care  
**Base Period:** 1982-84=100

Download:  [.xlsx](#)

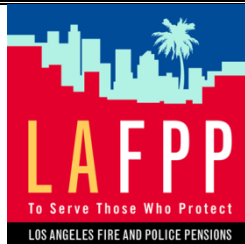
Year	Dec
2016	465.171
2017	475.129
2018	474.709
2019	485.696
2020	506.219
2021	519.176
2022	548.472
2023	546.364
2024	592.940
2025	612.775

### 12-Month Percent Change

**Series Id:** CUURS49ASAM,CUUSS49ASAM  
 Not Seasonally Adjusted  
**Series Title:** Medical care in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted  
**Area:** Los Angeles-Long Beach-Anaheim, CA  
**Item:** Medical care  
**Base Period:** 1982-84=100

Download:  [.xlsx](#)

Year	Dec
2016	5.0
2017	2.1
2018	-0.1
2019	2.3
2020	4.2
2021	2.6
2022	5.6
2023	-0.4
2024	8.5
2025	3.3



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE: FEBRUARY 5, 2026**

**ITEM: D.2**

**FROM: JOSEPH SALAZAR, GENERAL MANAGER**

**SUBJECT: APPROVAL OF TRAVEL AUTHORITY (GOYA) – IFEBP, WHARTON SCHOOL,  
PORTFOLIO CONCEPTS AND MANAGEMENT PROGRAM**

---

#### **RECOMMENDATION**

That the Board approve Yoshiyuki Goya, Management Analyst, Investments Division, to attend the International Foundation of Employee Benefit Plans (IFEBP) Portfolio Concepts and Management Program from May 11 - 14, 2026, at the Wharton School in Philadelphia, Pennsylvania (May 10<sup>th</sup> would be a travel day).

#### **DISCUSSION**

Mr. Goya would participate in the following training program:

Program:	Portfolio Concepts and Management, Wharton School
Sponsor:	International Foundation of Employee Benefit Plans
Dates:	May 11 – 14, 2026
Location:	Philadelphia, PA
Mode of Transportation:	Commercial Airline

IFEBP, in partnership with the Wharton School, routinely offers a 3.5-day training program in portfolio management where attendees learn the core principles of portfolio theory and investment performance measurement. Investment staff and trustees of pension systems from all over the country, including LAFPP, attend the program to better understand the complex investment material they encounter daily.

The curriculum will cover investment instruments, performance evaluation, fundamentals of valuation, asset allocation, and risk and return profiles. These topics deliver valuable information that allows Investments staff to provide the Fund and the Board with optimal investment recommendations supported by comprehensive research and analysis. Attached is a description of the program details.

While the expenditures are consistent with the Board's Travel and Education Policy, the Board must approve this training as the General Manager may only authorize travel up to \$4,500 per employee, per trip.

**BUDGET**

This program is within the Investments Division Fiscal Year 2025-26 budget for travel. The estimated cost of travel for Mr. Goya is as follows:

Registration	\$6,695.00
Airfare	1,253.00
Hotel (Discounted Conference Rate)	1,382.34
Per Diem	414.00
Incidentals (Airport parking, mileage, ground transportation, baggage fees)	320.13
TOTAL	<u>\$10,064.47</u>

**POLICY**

If approved by the Board, the proposed expenditures would be within the Board’s Travel and Education Policy.

**CONTRACTOR DISCLOSURE INFORMATION**

There is no contractor disclosure information required with this report.

This report was prepared by:

Yoshiyuki Goya, Management Analyst  
Investments Division

JS:BF:AC:YG

Attachment: 2026 Portfolio Concepts and Management Program Details



# Portfolio Concepts and Management

Monday, May 11 - Thursday, May 14, 2026

The Inn at Penn, a Hilton Hotel, Philadelphia, PA

## In This Section

Through the International Foundation's partnership with the Wharton School, Foundation members have the opportunity to engage with Wharton faculty who are the most cited, most published faculty of all top-tier business schools. With a profound influence on global business, Wharton faculty members are the sought-after, trusted advisors of corporations and governments worldwide.

One such opportunity is to attend Portfolio Concepts and Management on Wharton's campus in Philadelphia.

Significant choices need to be made when managing and allocating money in a portfolio—not easy in a very complex industry. Your members expect that you, as a fiduciary, will make informed decisions in the best interests of the plan participants.

Portfolio Concepts and Management is a 3½-day program taught by esteemed Wharton Faculty, designed to equip you with the knowledge and tools to navigate the complexities of investments and portfolio management. The course will teach you the core principles of portfolio theory, investment performance, and measurement. Take away the practical tools and experiences you need to make sound investment management decisions.

## Benefits of Attending

- Learn the fundamental concepts needed for effective portfolio oversight.
- Obtain a solid grounding in the principles of modern portfolio theory.
- Gain practical experience needed to make sound investment management decisions.
- Apply what you have learned in an interactive case study.
- Learn from world-class faculty who are skilled educators and researchers, award-winning authors and leading authorities.

## Who Should Attend

This program is intended for those who have little experience with investment-

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).

Accept

Fiduciaries from both defined benefit and defined contribution plans who represent various industries, sizes and geographic areas (United States and Canada), including

- Multiemployer and public plan trustees
- Administrators and fund staff
- Human resources and benefits professionals
- Corporate officers and executives
- Finance personnel
- Investment professionals

---

 “

Without reservation, I would recommend this program to all trustees. These short few days of learning have instilled a great deal of confidence in my ability as a trustee as well as in my skill to more accurately oversee my plan's financial objectives, goals, course, and individual selections.

– **Adolfo Felix**

Water & Power Employee Retirement Plan



**Wharton**  
UNIVERSITY of PENNSYLVANIA

## Pricing

### Through March 30, 2026

US\$6,695.00 US\$7,025.00

Member

Nonmember

### After March 30, 2026

US\$6,995.00 US\$7,325.00

Member

Nonmember

**Register Now** (<https://foundation.ifebp.org/Education-and-Events/Calendar-of-Events/98CF-F011-BBD3-000D3A5CC782>)

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).

## Join the Foundation!

More than 31,000 members rely on the Foundation to provide comprehensive health care, pension, fiduciary responsibility, investment, retirement security and other benefits education. Get discounts on educational events, resources to support you in your work, and a community of peers who face the same challenges as you.



[Learn More \(/membership\)](#)

Educational sessions at this program can qualify for self-reported CEBS® Compliance credit. Visit [www.cebs.org/compliance](http://www.cebs.org/compliance) (/cebs/home/continuing-education-credit/compliance-policy-guidelines) for additional information.

Note: Requests made for CE credit do not guarantee administration of credit. For further information on CE credit, please call (262) 786-6710, option 2, or visit our website at [www.ifebp.org/education---events/continuing-education-credit](http://www.ifebp.org/education---events/continuing-education-credit) (/education---events/continuing-education-credit).

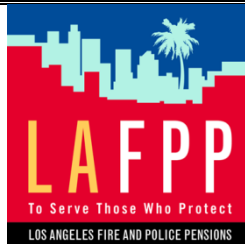
[Press Room](#)   [Partnerships](#)   [Work at the Foundation](#)   [About Us](#)

[Word on Benefits Blog](#)   [Talking Benefits Podcast](#)   [Jobs In Benefits](#)   [Foundation Community](#)

[Site Map](#)   [System Requirements](#)   [Policies](#)   [Contact Us](#)

© 2026 International Foundation of Employee Benefit Plans

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** FEBRUARY 5, 2026

**ITEM:** D.3

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT:** APPROVAL OF TRAVEL AUTHORITY (MEZA CONTRERAS) – IFEBP, WHARTON SCHOOL, PORTFOLIO CONCEPTS AND MANAGEMENT PROGRAM

---

#### **RECOMMENDATION**

That the Board approve Angel Meza Contreras, Management Analyst, Investments Division, to attend the International Foundation of Employee Benefit Plans (IFEBP) Portfolio Concepts and Management Program from May 11 - 14, 2026, at the Wharton School in Philadelphia, Pennsylvania (May 10<sup>th</sup> would be a travel day).

#### **DISCUSSION**

Mr. Meza Contreras would participate in the following training program:

Program:	Portfolio Concepts and Management, Wharton School
Sponsor:	International Foundation of Employee Benefit Plans
Dates:	May 11 – 14, 2026
Location:	Philadelphia, PA
Mode of Transportation:	Commercial Airline

IFEBP, in partnership with the Wharton School, routinely offers a 3.5-day training program in portfolio management where attendees learn the core principles of portfolio theory and investment performance measurement. Investment staff and trustees of pension systems from all over the country, including LAFPP, attend the program to better understand the complex investment material they encounter daily.

The curriculum will cover investment instruments, performance evaluation, fundamentals of valuation, asset allocation, and risk and return profiles. These topics deliver valuable information that allows Investments staff to provide the Fund and the Board with optimal investment recommendations supported by comprehensive research and analysis. Attached is a description of the program details.

While the expenditures are consistent with the Board's Travel and Education Policy, the Board must approve this training as the General Manager may only authorize travel up to \$4,500 per employee, per trip.

**BUDGET**

This program is within the Investments Division Fiscal Year 2025-26 budget for travel. The estimated cost of travel for Mr. Meza Contreras is as follows:

Registration	\$6,695.00
Airfare	1,253.00
Hotel (Discounted Conference Rate)	1,382.34
Per Diem	414.00
Incidentals (Airport parking, mileage, ground transportation, baggage fees)	265.00
TOTAL	<u>\$10,009.34</u>

**POLICY**

If approved by the Board, the proposed expenditures would be within the Board’s Travel and Education Policy.

**CONTRACTOR DISCLOSURE INFORMATION**

There is no contractor disclosure information required with this report.

This report was prepared by:

Angel Meza Contreras, Management Analyst  
Investments Division

JS:BF:AC:AMC

Attachment: 2026 Portfolio Concepts and Management Program Details



# Portfolio Concepts and Management

Monday, May 11 - Thursday, May 14, 2026

The Inn at Penn, a Hilton Hotel, Philadelphia, PA

## In This Section

Through the International Foundation's partnership with the Wharton School, Foundation members have the opportunity to engage with Wharton faculty who are the most cited, most published faculty of all top-tier business schools. With a profound influence on global business, Wharton faculty members are the sought-after, trusted advisors of corporations and governments worldwide.

One such opportunity is to attend Portfolio Concepts and Management on Wharton's campus in Philadelphia.

Significant choices need to be made when managing and allocating money in a portfolio—not easy in a very complex industry. Your members expect that you, as a fiduciary, will make informed decisions in the best interests of the plan participants.

Portfolio Concepts and Management is a 3½-day program taught by esteemed Wharton Faculty, designed to equip you with the knowledge and tools to navigate the complexities of investments and portfolio management. The course will teach you the core principles of portfolio theory, investment performance, and measurement. Take away the practical tools and experiences you need to make sound investment management decisions.

## Benefits of Attending

- Learn the fundamental concepts needed for effective portfolio oversight.
- Obtain a solid grounding in the principles of modern portfolio theory.
- Gain practical experience needed to make sound investment management decisions.
- Apply what you have learned in an interactive case study.
- Learn from world-class faculty who are skilled educators and researchers, award-winning authors and leading authorities.

## Who Should Attend

This program is intended for those who have little experience with investment-

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).

Accept

Fiduciaries from both defined benefit and defined contribution plans who represent various industries, sizes and geographic areas (United States and Canada), including

- Multiemployer and public plan trustees
- Administrators and fund staff
- Human resources and benefits professionals
- Corporate officers and executives
- Finance personnel
- Investment professionals

---

 “

Without reservation, I would recommend this program to all trustees. These short few days of learning have instilled a great deal of confidence in my ability as a trustee as well as in my skill to more accurately oversee my plan's financial objectives, goals, course, and individual selections.

– **Adolfo Felix**

Water & Power Employee Retirement Plan



**Wharton**  
UNIVERSITY of PENNSYLVANIA

## Pricing

### Through March 30, 2026

US\$6,695.00 US\$7,025.00

Member

Nonmember

### After March 30, 2026

US\$6,995.00 US\$7,325.00

Member

Nonmember

**Register Now** (<https://foundation.ifebp.org/Education-and-Events/Calendar-of-Events/98CF-F011-BBD3-000D3A5CC782>)

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).

## Join the Foundation!

More than 31,000 members rely on the Foundation to provide comprehensive health care, pension, fiduciary responsibility, investment, retirement security and other benefits education. Get discounts on educational events, resources to support you in your work, and a community of peers who face the same challenges as you.

[Learn More \(/membership\)](#)

Educational sessions at this program can qualify for self-reported CEBS® Compliance credit. Visit [www.cebs.org/compliance](http://www.cebs.org/compliance) (/cebs/home/continuing-education-credit/compliance-policy-guidelines) for additional information.

Note: Requests made for CE credit do not guarantee administration of credit. For further information on CE credit, please call (262) 786-6710, option 2, or visit our website at [www.ifebp.org/education---events/continuing-education-credit](http://www.ifebp.org/education---events/continuing-education-credit) (/education---events/continuing-education-credit).

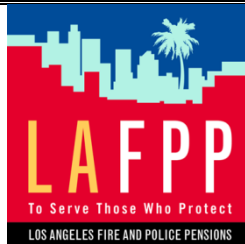
[Press Room](#)   [Partnerships](#)   [Work at the Foundation](#)   [About Us](#)

[Word on Benefits Blog](#)   [Talking Benefits Podcast](#)   [Jobs In Benefits](#)   [Foundation Community](#)

[Site Map](#)   [System Requirements](#)   [Policies](#)   [Contact Us](#)

© 2026 International Foundation of Employee Benefit Plans

We use cookies and similar technologies to enhance your experience, personalize content, and improve site functionality to better serve you. Learn more about our [privacy policy](#) and [manage cookie preferences](#).



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** FEBRUARY 5, 2026

**ITEM:** E.1

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT:** CONTINUED DISCUSSION OF FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

---

#### **RECOMMENDATION**

That the Board:

- 1) Award a contract to one firm to manage the Active International Small Capitalization Equity mandate;
- 2) Authorize the General Manager to negotiate and approve the terms and conditions of the contract with the selected firm for Active International Small Capitalization Equity investment management services for a three-year period; and,
- 3) Authorize the General Manager, on behalf of the Board, to execute the contract with the selected firm for Active International Small Capitalization Equity investment management services, subject to the approval of the City Attorney as to form.

#### **BACKGROUND**

On March 6, 2025, the Board approved the Active International Small Capitalization (Cap) Equity manager search and a one-year contract extension with Principal Global Investors, LLC (Principal) in order to complete the search to find a replacement manager. At the July 3, 2025 meeting, the Board approved the minimum qualifications (MQs) criteria and the qualitative evaluation characteristics for the search. Staff advertised the search beginning in August 2025 and in September 2025, RVK, Inc. (RVK), the Board's General Investment Consultant, used the approved MQs as well as criteria for strategy style and strategy focus to identify 12 qualified managers, who were subsequently invited to respond to a request for proposal (RFP) questionnaire. Seven managers submitted RFP responses by the October 10, 2025 deadline and were further evaluated by Staff and RVK. At the December 18, 2025 meeting, the Board approved three finalist firms to interview: Acadian Asset Management LLC (Acadian), AllianceBernstein L.P. (AllianceBernstein), and Numeric Investors LLC (Man Numeric).

At the January 15, 2026 meeting, the Board conducted interviews with Acadian, AllianceBernstein, and Man Numeric, and discussed the merits of each firm. Immediately following the interviews, Staff and RVK provided analysis on each firm including historical data on how each firm would have complemented Victory Capital Management Inc., the existing manager in LAFPP's Active International Small Cap Equity portfolio, to improve the portfolio's risk-return profile. The Board

tabled the discussion and contract award to today's meeting. The finalist firms' presentations and the RVK analysis are attached as part of the January 15, 2026 Staff report (Attachment).

## DISCUSSION

Subsequent to the January 15, 2026 meeting, Staff and RVK requested and received best and final offers on management fees for a \$225 million mandate. The effective fees are provided in the table below. In addition, Staff has summarized the characteristics of the portfolio that each finalist firm is proposing to manage for the Plan with data as of September 30, 2025.

	Acadian	AllianceBernstein	Man Numeric
Primary Investment Approach (Quantitative/Fundamental)	Quantitative	Combined	Quantitative
Firm AUM	\$166B	\$860B	\$78B
Strategy AUM	\$2.8B	\$3.2B	\$1.3B
Portfolio Manager	Brendan Bradley	Andrew Birse	Nina Gnedin
Portfolio Manager Title	CIO	CIO - Int'l Small Cap Eq	Portfolio Manager
Holdings as of 9/30/25	1,719	102	381
Typical Range of Holdings	1,500-2,000	80-120	250-450
Active Share	78%	94%	83%
Universe of Stocks	All Country ex-US	All Country ex-US	Developed ex-US
Return Objective / Target	2-3% Excess Returns	2-4% Excess Returns	2.5-3.5% Excess Returns
Benchmark	MSCI ACWI ex USA Small Cap	MSCI ACWI ex USA Small Cap	MSCI World ex USA Small Cap
Strategy Inception Date	July 2008	February 2014	January 2011
Turnover	60-70%	30-60%	150-250%
Regional Exposure			
Developed Markets	66.0%	67.3%	100.0%
Emerging Markets	34.0%	32.7%	0.0%
Proposed Fee Schedule in Basis Points (bps)	First \$50mm 85 bps Next \$50mm 75 bps Thereafter 60 bps	Flat Fee 47 bps	Flat Fee 60 bps
Effective Fees in Basis Points (bps) <sup>1</sup>	69 bps	47 bps	60 bps

<sup>1</sup> The eVestment Non-US Small Cap Universe 25th percentile fee was 70 bps and the median fee was 78 bps.

- The AllianceBernstein proposed fee represents a 55 bps fee with a 15% aggregation discount for a net fee of 46.75 bps.

- Man Numeric has two proposed fee structures. Option 1 is listed above and Option 2 is a 25 bps management fee with a 20% performance fee and a 155 bps cap.

Given the size of the mandate and the objective of the search to replace an existing active manager, Staff and RVK recommend that the Board award a contract to one of the three finalist firms to manage the Active International Small Cap Equity mandate.

Acadian indicated during the presentation that capacity for LAFPP's full mandate may not be immediately available due to an existing investor queue. Should the Board award Acadian a contract, Staff will liquidate the Principal International Small Cap account to cash, and fund Acadian when capacity is available.

AllianceBernstein and Man Numeric do not currently have any capacity constraints. Should the Board award AllianceBernstein or Man Numeric a contract, Staff will transition the Principal International Small Cap account in cash or in-kind to the manager as soon as practicable.



## **BUDGET**

Approval of this recommendation is not expected to impact LAFPP's annual budget, as the costs associated with this search and investment management fees have already been projected and included.

## **POLICY**

Approval of this recommendation will have no policy impact.

## **CONTRACTOR DISCLOSURE INFORMATION**

Acadian Asset Management LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 9, 2025. Internal Audit Section reviewed the provided information and determined there was nothing to report under this policy.

AllianceBernstein L.P. complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on October 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

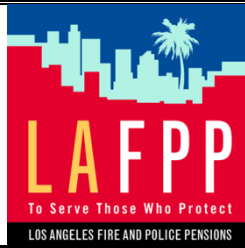
Numeric Investors LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 5, 2025. Internal Audit Section reviewed the provided information and determined there were reportable disclosures under this policy. The contractor reported using Man Investments Inc. (adviser affiliate) as a broker dealer for the fund in North America. Man Investments Inc. will be paid a discretionary bonus and compensation fees will be paid by Numeric. LAFPP will not pay any placement agent fees as a result of a contract with this manager.

This report was prepared by:

Randy Chih, Investment Officer  
Investments Division

JS:BF:AC:RC

Attachment - January 15, 2026 Board Report – Presentations by Finalist Candidates for the Active International Small Capitalization Equity Manager Search

**DEPARTMENT OF FIRE AND POLICE PENSIONS**

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

**REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** JANUARY 15, 2026

**ITEM:** E.2

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT: PRESENTATIONS BY FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION**

---

**RECOMMENDATION**

That the Board:

- 1) Conduct interviews with Acadian Asset Management LLC, AllianceBernstein L.P., and Numeric Investors LLC as the three finalists for the Active International Small Capitalization Equity manager search;
- 2) Award a contract to one firm to manage the Active International Small Capitalization Equity mandate;
- 3) Authorize the General Manager to negotiate and approve the terms and conditions of the contract with the selected firm for Active International Small Capitalization Equity investment management services for a three-year period; and,
- 4) Authorize the General Manager, on behalf of the Board, to execute the contract with the selected firm for Active International Small Capitalization Equity investment management services, subject to the approval of the City Attorney as to form.

**BACKGROUND**

On March 6, 2025, the Board approved the Active International Small Capitalization (Cap) Equity manager search and a one-year contract extension with Principal Global Investors, LLC (Principal) in order to complete the search to find a replacement manager.

At the July 3, 2025 meeting, the Board approved the minimum qualifications (MQs) criteria and the qualitative evaluation characteristics for the search. Staff publicly advertised the search beginning in August 2025 to notify interested firms of the opportunity and allow them sufficient time to update firm and strategy information in the eVestment database, which would be used to identify qualified candidates. In September 2025, RVK, Inc. (RVK), the Board's General Investment Consultant, used the approved MQs as well as criteria for strategy style (core style only) and strategy focus (small cap only) to identify 12 qualified managers, who were subsequently invited to respond to a request for proposal (RFP) questionnaire; seven managers submitted RFP responses by the October 10, 2025 deadline and were further evaluated by Staff and RVK.

At the December 18, 2025 meeting, the Board approved three finalist firms to interview: Acadian Asset Management LLC (Acadian), AllianceBernstein L.P. (AllianceBernstein), and Numeric Investors LLC (Man Numeric) (Attachment I).

## DISCUSSION

At today's meeting, the Board will conduct interviews with Acadian, AllianceBernstein, and Man Numeric. Each firm will begin with a 20-minute presentation to provide the Board an overview of their firm, team, strategy, performance, and proposed fee structure, followed by a 10-minute question and answer period. The firms' presentation books are attached (Attachments II, III, and IV).

After the Board completes the interviews, Staff and RVK recommend that the Board award a contract to one of the three finalist firms to manage the Active International Small Cap Equity mandate. The attached analysis by RVK (Attachment V) shows how each finalist firm would have enhanced the risk-return profile of LAFPP's Active International Small Cap Equity portfolio on a historical basis and is provided to aid the Board in making a selection. Staff and RVK will be available to discuss the analysis.

Once the Board awards a contract to a firm, Staff will initiate contract negotiations. The selected firm will manage an allocation of \$225 million based on the value of Principal's plan assets when the search was approved. The new account will be funded by the assets currently in the Principal account.

Acadian has indicated that capacity for LAFPP's full mandate may not be immediately available due to an existing investor queue, should the Board award the firm a contract. AllianceBernstein and Man Numeric do not currently have investor queues.

## BUDGET

Approval of this recommendation is not expected to impact LAFPP's annual budget, as the costs associated with this search and investment management fees have already been projected and included.

The finalists' proposed management fee schedules and the effective blended fee rates based on an estimated allocation of \$225 million are listed below. These rates all fall below the 25<sup>th</sup> percentile of fees listed in the eVestment Non-US Small Cap peer group.

Manager	Proposed Fee Schedule in Basis Points (bps)	Effective Fees in Basis Points (bps)
Acadian	First \$50mm 85 bps	69 bps
	Next \$50mm 75 bps	
	Thereafter 60 bps	
AllianceBernstein	Flat Fee 55 bps	55 bps
Man Numeric	First \$100mm 75 bps	69 bps
	Thereafter 65 bps	
eVestment Non-US Small Cap 25th Percentile		70 bps
eVestment Non-US Small Cap Median		78 bps

Man Numeric has two proposed fee structures. Option 1 is listed above and Option 2 is 30 bps management fee with a 20% performance fee.

## **POLICY**

Approval of this recommendation will have no policy impact.

## **CONTRACTOR DISCLOSURE INFORMATION**

Acadian Asset Management LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 9, 2025. Internal Audit Section reviewed the provided information and determined there was nothing to report under this policy.

AllianceBernstein L.P. complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on October 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

Numeric Investors LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 5, 2025. Internal Audit Section reviewed the provided information and determined there were reportable disclosures under this policy. The contractor reported using Man Investments Inc. (adviser affiliate) as a broker dealer for the fund in North America. Man Investments Inc. will be paid a discretionary bonus and compensation fees will be paid by Numeric. LAFPP will not pay any placement agent fees as a result of a contract with this manager.

This report was prepared by:

Randy Chih, Investment Officer  
Investments Division

JS:BF:AC:RC

Attachments: I – Active International Small Capitalization Equity Finalist Candidates  
Recommendation Board Report dated December 18, 2025  
II – Acadian Asset Management LLC Finalist Presentation  
III – AllianceBernstein L.P. Finalist Presentation  
IV – Numeric Investors LLC Finalist Presentation  
V – RVK Active International Small Capitalization Equity Portfolio Blend Analysis



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** DECEMBER 18, 2025 **ITEM:** E.1

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT:** DISCUSSION OF FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

---

#### **RECOMMENDATION**

That the Board:

- 1) Approve Acadian Asset Management LLC, AllianceBernstein L.P., and Numeric Investors LLC as the three finalists for the Active International Small Capitalization Equity manager search; and,
- 2) Direct Staff and RVK to schedule the three finalists for Board interviews with the intent of hiring one firm for the Active International Small Capitalization Equity mandate.

#### **BACKGROUND**

On March 6, 2025, the Board approved the Active International Small Capitalization (Cap) Equity manager search and a one-year contract extension with Principal Global Investors, LLC (Principal) in order to complete the search to find a replacement manager.

At the July 3, 2025 meeting, the Board approved the minimum qualifications (MQs) criteria and the qualitative evaluation characteristics for the search (Attachment I). Staff publicly advertised the search beginning in August 2025 to notify interested firms of the opportunity and allow them sufficient time to update firm and strategy information in the eVestment database, which would be used to identify qualified candidates.

#### **DISCUSSION**

In September 2025, RVK, Inc. (RVK), the Board's General Investment Consultant, used the approved MQs as well as criteria for strategy style (core style only) and strategy focus (small cap only) to screen the eVestment universe of 167 active international small cap equity managers down to 12 qualified managers. At the end of September 2025, the 12 qualified managers were invited to respond to a request for proposal (RFP) questionnaire; seven managers submitted RFP responses by the October 10, 2025 deadline. The responses were evaluated based on product characteristics, risk and return metrics, portfolio attribution, and correlation to Victory Capital Management Inc., an existing active international small cap equity manager in the Plan's portfolio that will remain after the search is completed. Staff and RVK selected all seven managers as semi-finalists for due diligence interviews. In December 2025, Staff and RVK conducted virtual interviews

with each firm to better understand their organization, team, strategy, investment philosophy and process, portfolio construction and positioning, risk management, and fees. Following these interviews, Staff and RVK conducted further analyses and discussions to assess the merits and risks of each semi-finalist firm.

Based on these evaluations and in accordance with Section 9.2 (Manager Selection Criteria) of the Board's Investment Policies, which states that Staff and RVK shall recommend no more than three finalists for a search to hire one investment manager, Staff and RVK recommend Acadian Asset Management LLC (Acadian), AllianceBernstein L.P. (AllianceBernstein), and Numeric Investors LLC (Numeric), also known as Man Numeric, as the finalists for the Active International Small Capitalization Equity manager search.

Acadian and AllianceBernstein benchmark their proposed strategies to the MSCI All Country World ex-US Small Cap Index, which includes developed and emerging markets companies. Numeric benchmarks its strategy to the MSCI World ex-US Small Cap Index, which includes only developed markets companies.

A detailed discussion of the search process and finalist candidates is provided in the attached RVK memo (Attachment II).

Staff also recommends that the Board interview the three finalists with the intent to hire one firm. The selected firm will manage an allocation of approximately \$225 million. Should the Board approve the recommendation to interview the three finalist firms, the firms will be scheduled to present in person at the January 15, 2026 meeting.

## **BUDGET**

Approval of this recommendation is not expected to impact LAFPP's annual budget, as the costs associated with this search have already been projected and included.

## **POLICY**

Approval of this recommendation will have no policy impact.

## **CONTRACTOR DISCLOSURE INFORMATION**

Acadian Asset Management LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 9, 2025. Internal Audit Section reviewed the provided information and determined there was nothing to report under this policy.

AllianceBernstein L.P. complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on October 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

Numeric Investors LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 5, 2025. Internal Audit Section reviewed the provided information and determined there were reportable disclosures under this policy. The contractor reported using Man Investments Inc. (adviser affiliate) as a broker dealer for the fund in North America. Man Investments Inc. will be

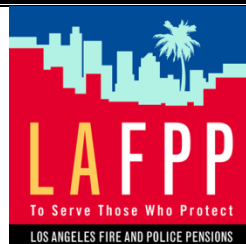
paid a discretionary bonus and compensation fees will be paid by Numeric. LAFPP will not pay any placement agent fees as a result of a contract with this manager.

This report was prepared by:

Randy Chih, Investment Officer  
Investments Division

JS:BF:AC:RC

Attachments:      I – July 3, 2025 Minimum Qualifications Board Report  
                             II – RVK Finalists Recommendation Memo



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE:** JULY 3, 2025

**ITEM:** E.2

**FROM:** JOSEPH SALAZAR, GENERAL MANAGER

**SUBJECT: MINIMUM QUALIFICATIONS FOR ACTIVE INTERNATIONAL SMALL  
CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION**

---

#### **RECOMMENDATION**

That the Board approve the following Minimum Qualifications (MQs) for a search to hire one investment manager to provide active international small capitalization (cap) equity management services:

1. The active international small cap equity strategy must be offered in a separate account;
2. The active international small cap equity strategy must be open to new investors;
3. The active international small cap equity strategy must have a minimum 5-year track record;
4. The active international small cap equity strategy must have more than \$900 million in assets under management (AUM); and,
5. The active international small cap equity strategy must have less than \$10 billion in AUM.

#### **BACKGROUND**

At the March 6, 2025 meeting, the Board approved a one-year contract extension for Principal Global Investors, LLC ("Principal") for International Small Cap Equity management services and authorized Staff and RVK, the Board's General Investment Consultant, to conduct a search to consider hiring a replacement manager. The Board also directed Staff and RVK to develop the MQs for an Active International Small Cap Equity manager search and return to the Board at a future meeting for approval of the MQs. The March 6, 2025 report is provided as Attachment I.

#### **DISCUSSION**

LAFPP currently has two International Small Cap Equity managers: Victory Capital Management Inc. (Victory Trivalent) and Principal. As of May 31, 2025, Victory managed \$308.2 million and Principal managed \$252.6 million. The approved manager search aims to replace Principal and find potential candidates that have complementary styles to Victory Trivalent. RVK is proposing a mandate size of approximately \$225 million based on the size of Principal's account as of March 31, 2025. Should the market value of the non-U.S. equity portfolio change substantially during the search process, Staff and RVK may recommend revising the mandate size in a future report to the Board.



Staff and RVK will conduct a search for the active international small cap equity manager according to the active manager search procurement process adopted by the Board on March 17, 2011 (Attachment II). This process leverages RVK's databases to identify and evaluate qualified firms in lieu of publishing a request for proposal document (refer to the Decision Points for Active Manager Searches table in Attachment II). The proposed MQs in RVK's memo (Attachment III) will be used to screen a universe of 169 active international small cap equity strategies in the eVestment database and will be applied as of June 30, 2025. The screen is expected to produce approximately 34 firms for consideration. Qualified firms will be further evaluated according to the criteria and process discussed on page 2 of Attachment III.

Per Section 9.2 (Manager Selection and Retention Policy) of the Board Investment Policies, once the search MQs are approved, RVK will provide Staff with a list of all investment firms that have met the MQs. Staff and RVK shall recommend to the Board a list of finalists to interview. For a mandate to hire one investment manager, Staff and RVK shall recommend no more than three finalists. Staff and RVK anticipate that evaluating the firms that meet the MQs will take approximately four to six months. Staff and RVK expect to present to the Board a list of finalists in the 1Q26 and anticipate scheduling finalist interviews in early 2Q26.

Staff is recommending that the Board approve the MQs to hire one Active International Small Cap Equity manager. If approved, Staff will advertise the search to notify interested investment firms that they must be registered in the eVestment database with complete firm and strategy information as of June 30, 2025, to be considered for the mandate. Advertisements will be placed on LAFPP's website and the City of Los Angeles' Regional Alliance Marketplace for Procurement (RAMPLA), which provides information on contractual opportunities offered by the City of Los Angeles. Staff may also advertise the search in Pensions & Investments (P&I) magazine, P&I's website, FIN Daily/Emerging Manager Monthly newsletters, and the websites of various industry organizations. These organizations may include, but may not be limited to: Association of Asian American Investment Managers (AAAIM); New America Alliance (NAA); National Association of Investment Companies (NAIC); and National Association of Securities Professionals (NASP).

## **BUDGET**

RVK (in conjunction with Staff) will conduct the search at no additional cost, per their contract. The estimated cost for advertising the search is \$3,000 to \$4,000 and has been accounted for in the FY 2025-26 budget.

## **POLICY**

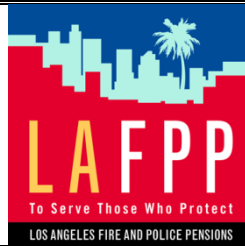
Approval of this recommendation will have no policy impact.

## **CONTRACTOR DISCLOSURE INFORMATION**

There is currently no disclosure information required for the search.

Randy Chih, Investment Officer  
Investments Division

Attachments: I – Board Report on One-Year Contract Extension for Principal Global Investors, LLC and Manager Search, dated March 6, 2025  
II – Board Report on Investment Manager Search Process, dated March 17, 2011  
III – RVK Minimum Qualifications Recommendation Memo



## ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**DATE: MARCH 6, 2025**

**ITEM: D.3**

**FROM: JOSEPH SALAZAR, GENERAL MANAGER**

**SUBJECT: APPROVAL OF ONE-YEAR CONTRACT EXTENSION WITH PRINCIPAL GLOBAL INVESTORS, LLC AND MANAGER SEARCH FOR INTERNATIONAL SMALL CAP EQUITY MANAGEMENT, AND POSSIBLE BOARD ACTION**

---

#### **RECOMMENDATION**

That the Board:

1. Approve a one-year contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services;
2. Authorize the General Manager to negotiate and approve the terms and conditions of a contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services for the period of May 1, 2025, through April 30, 2026;
3. Authorize the General Manager, on behalf of the Board, to execute the contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services, subject to the approval of the City Attorney as to form;
4. Approve an Active International Small Cap Equity manager search to consider hiring a replacement manager; and,
5. Direct Staff to develop the minimum qualifications for an Active International Small Cap Equity manager search and return to the Board at a future meeting for approval of the minimum qualifications.

#### **BACKGROUND**

In April 2017, the Board approved a recommendation by RVK, the Board's General Investment Consultant, to conduct an Active International Small Cap Equity manager search to replace an existing passive mandate based on an International Equity Asset Class Structure Study. Following a competitive search process, the Board hired Principal Global Investors, LLC (Principal) and Victory Capital Management Inc. (Victory) in March 2018.

The Principal account was initially funded with approximately \$214 million in late May 2018 and as of December 31, 2024, the account was valued at approximately the same amount. Due to underperformance of the strategy, Principal was placed on the watch list as of December 31, 2020 (approximately four years ago). The contract with Principal was renewed in March 2021 for a three-

year term and extended in March 2024 for a one-year term. The current contract will expire on April 30, 2025.

## **DUE DILIGENCE REVIEW**

As part of the due diligence process, Staff requests that each manager complete a questionnaire which focuses on the areas of ownership, personnel, investment style, assets under management, and investment performance.

## **OWNERSHIP**

Principal is a wholly owned, indirect subsidiary of Principal Financial Group, Inc. (Principal Financial). Listed on the Nasdaq Global Select Market under the ticker symbol "PFG," Principal Financial is a member of the Fortune 500 and a leading global financial institution offering a wide range of financial products and services through a diverse family of financial services companies.

Principal Financial is headquartered in Des Moines, Iowa. Initially founded in 1879 as Bankers Life Association, an insurance company, the company's name was changed to Principal Financial Group in 1985.

## **PERSONNEL**

The portfolio is managed by Principal's International Small Cap Equity team and led by two portfolio managers: Brian Pattinson and Tiffany Lavastida. They are supported by six industry analysts. During the current one-year contract extension period, there were no changes within the team.

## **ASSETS UNDER MANAGEMENT**

Principal had \$137.6 billion of assets under management (AUM) for 342 institutional clients as of June 30, 2024, and \$151.5 billion of AUM for 344 institutional clients as of December 31, 2024. The Board's account is part of Principal's International Small Cap strategy which had \$3.4 billion of AUM and 16 institutional clients as of June 30, 2024, and \$2.8 billion of AUM and 16 institutional clients as of December 31, 2024. The net outflow of assets was largely attributed to a withdrawal by Principal's affiliated group that manages target date funds. The Board's account with Principal was valued at approximately \$214 million as of December 31, 2024.

## **INVESTMENT STYLE**

Principal uses a fundamental, bottom-up approach to 1) invest in businesses that are improving, 2) identify companies ahead of the market, and 3) isolate stock selection as the key driver of results.

The investment process begins with analysts identifying stocks undergoing fundamental changes by independently reviewing company financial statements, regulatory filings, news flow, and independent research sources, and engaging with senior executives of the companies. The evaluation of these stocks focuses on earnings acceleration and cash flow trends with clear identification of specific underlying change catalysts.

The next step involves assessment of investor expectations. The difference between Principal's assessment of the earnings potential of a company and the prevailing consensus expectation is regarded as an expectation gap. Principal seeks to identify a company's changing fundamentals

relative to its valuation from current expectations to exploit the market underestimation of this change.

When a set of attractively ranked companies is identified, the portfolio managers may consider these stocks for inclusion in the portfolio. Principal's strategy centers on isolating stock selection as the key driver of relative performance and avoiding unintended systematic biases.

## **INVESTMENT PERFORMANCE**

All active managers are expected to exceed the return of the median manager in the same investment style universe and exceed the return of the appropriate index over a full market cycle. The Board's investment performance benchmark for Principal is the MSCI World ex US Small Cap Index.

As of December 31, 2024, Principal underperformed its benchmark over the 1-year, 3-year, 5-year, and since inception periods on a net-of-fees basis. Compared to the universe of peer active international small cap managers, Principal's performance ranked 59<sup>th</sup> in the 1-year, 48<sup>th</sup> in the 3-year, 84<sup>th</sup> in the 5-year, and 83<sup>rd</sup> in the since inception periods. Performance has also lagged the benchmark and peer median in four of the past six calendar years. Attachment I provides a detailed performance analysis.

## **CONCLUSION**

Principal has not met performance expectations since inception of the Board's account. Principal has underperformed the benchmark and its peers in both up and down markets over a 6.5-year period, which is in the range of a full market cycle (generally considered to be five to seven years).

The firm's management fee on the \$214 million in the Board's account as of December 31, 2024, was approximately 40 basis points, or \$860,000 a year. This fee places Principal in the 4<sup>th</sup> percentile of the eVestment Non-US Diversified Small Cap Equity universe, where the median fee is 80 basis points.

Despite Principal's underperformance, Staff recommends that the Board extend the contract with Principal for one year and authorize Staff and RVK to conduct a search for a replacement Active International Small Cap Equity manager. Given the inefficiencies of the international small cap equity market and the potential to generate returns above the benchmark, Staff and RVK advise the Board to continue utilizing active management in this space rather than investing passively. Staff and RVK also believe it is prudent to maintain the assets in Principal's account until the search is completed to avoid incurring excessive transition costs (associated with moving assets to Victory or a passive strategy) and to maintain diversified active management exposure to international small cap equities (as opposed to moving all assets to the Victory account and having single active manager exposure). RVK concurs with Staff's recommendation (Attachment II).

Should the Board authorize an Active International Small Cap Equity manager search, Staff will work with RVK to develop the proposed minimum qualifications for the search and present them to the Board for consideration at a future meeting.

## **BUDGET**

Approval of these recommendations will not impact the FY 2024-25 budget, as Principal's fees are already included in the budget. There is no additional charge to have RVK conduct an international small cap equity manager search, as RVK's contract includes four public markets manager searches per year.

## **POLICY**

Approval of this recommendation will have no policy impact.

## **CONTRACTOR DISCLOSURE INFORMATION**

The contractor complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on January 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

This report was prepared by:

Randy Chih, Investment Officer  
Investments Division

JS:BF:AC:RC

Attachments: I - Principal Performance Analysis  
II - RVK Memo: Principal International Small Cap

**Principal International Small Cap Core Performance Information**  
**Annualized Return Information as of December 31, 2024**

	<b>FYTD</b>	<b>1-Year</b>	<b>3-Year</b>	<b>5-Year</b>	<b>Inception Return</b>	<b>Inception Date</b>
<b>Principal (Gross of Fees)</b>	-0.46%	2.37%	-2.30%	1.68%	1.69%	06/01/18
<b>Principal (Net of Fees)</b>	-0.66%	1.97%	-2.71%	1.20%	1.20%	
<b>MSCI World Ex US Small Cap</b>	1.94%	3.28%	-2.29%	3.33%	2.99%	
Difference (Gross of Fees)	-2.40%	-0.92%	-0.01%	-1.65%	-1.30%	
Difference (Net of Fees)	-2.60%	-1.31%	-0.42%	-2.13%	-1.79%	
Percentile Rank (Investment Metrics Universe)	74	59	48	84	83	

**Principal International Small Cap Core Performance Information**  
**Calendar Year Annual Return Information from 2019**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Principal (Gross of Fees)</b>	2.37%	14.60%	-20.50%	10.35%	5.63%	28.45%
<b>Principal (Net of Fees)</b>	1.97%	14.14%	-20.88%	9.75%	5.03%	27.73%
<b>MSCI World Ex US Small Cap</b>	3.28%	13.20%	-20.21%	11.54%	13.20%	25.94%
Difference (Gross of Fees)	-0.92%	1.40%	-0.30%	-1.19%	-7.57%	2.51%
Difference (Net of Fees)	-1.31%	0.95%	-0.68%	-1.79%	-8.17%	1.79%
Percentile Rank (Investment Metrics Universe)	59	58	44	71	84	22

## Memorandum

To	The Los Angeles Fire and Police Pension System ("LAFPP")
From	RVK, Inc. ("RVK")
Subject	Principal International Small Cap Core - Contract Termination
Date	March 6, 2025

## Recommendation

RVK recommends that the Board conduct a search for a replacement manager for the Principal International Small Cap Core ("Principal") as outlined below. In order to allow time for the search, and avoid multiple asset transitions, we also recommend renewing the Principal contract for 1 year. This is in agreement with the Staff's recommendation to the Board. Our rationale for this recommendation follows.

- The team implemented portfolio changes with poor articulation of why the changes are expected to improve performance.
- Loss of strategy assets due to internal withdrawal of the strategy from Principal's Target Retirement Date (TRD) Funds which occurred in Q4 of last year. In total, strategy net outflows totaled \$500 million, the majority of which were the Principal managed TRD suite.
- Failure to generate excess return over extended time periods. They underperformed in 4 of the last 5 calendar years in a period including both strong returns (2020, 2021 and 2024) and weak returns (2022) for the asset class.
- Underperformance during both up and down markets.
- Poor risk-adjusted returns (ranks 82<sup>nd</sup> percentile for Sharpe Ratio and 92<sup>nd</sup> percentile for Information Ratio over the 5-year period ending December 31, 2024).
- Strong candidate pool of potential replacement strategies.

Principal's International Small Cap strategy produced poor results in 2020 due to macro-related events. Historically, this strategy has not consistently protected capital in down markets relative to their benchmark. However, they have also trailed in up market environments in recent years without a specific rationale for an eventual rebound beyond improved stock selection. One adjustment they are implementing is to reduce the number of holdings in the portfolio around higher conviction ideas; however, this can lead to higher tracking error, which could be positive or negative. Most importantly, long-term returns have deteriorated in a broad and inefficient asset class where more consistent excess returns are expected. The strategy is not meeting its alpha target for the 20- and 25-year periods. Therefore, recommendation is due to long-term underperformance, a lack of confidence in future return generation potential, and the presence and availability of more successful options within the asset class.





## **Background**

The Principal contract expires on April 30, 2025. As of December 31, 2024, LAFPP has approximately \$214.4 million invested in the Principal separate account product, which represents approximately 4.03% of the International Developed Equity composite, 4.02% of the Total International Equity composite, and 0.70% of the Total Plan. LAFPP has been invested in this account since May 2018.

## **Firm**

Principal Global Equities is an investment group within Principal Global Investors, a wholly owned subsidiary of Principal Financial Group that is publicly listed on the NASDAQ under ticker "PFG." The Global Investors Group is a multi-boutique operation that allows the broader organization to offer investment expertise across equities, fixed income, real estate, asset allocation, currency management, stable value management, and other types of structured investment strategies.

Principal Global Equities started managing assets for clients in 1987 when their first international equity strategy was launched, and now manage approximately \$155 billion.

## **Team**

Co-portfolio manager Brian Pattinson joined the firm in 1994 but became a named portfolio manager in 2001. Tiffany Lavastida, joined the firm as a member of the equities team in 1997 and was named a co-portfolio manager to this strategy in 2006. Together they have an average of 29 years of industry experience and 29 years at the firm.

Mr. Pattinson and Ms. Lavastida are supported by a team of six analysts. The analysts have an average of 14 years at the firm and 19 years in the industry. Analysts have sector specialties by region. The team has been stable, with just one analyst departure in the last five years. Equity Analyst Jun Kim was let go in 2023, and was at the firm for 12 years. He was the only investment professional based in Tokyo and returns were poor.

### **Brian Pattinson, CFA | Portfolio Manager**

Brian is a portfolio manager for Principal Global Equities. Brian leads the global small-cap team which encompasses global, international, regional and U.S. small-cap strategies. He serves as the lead portfolio manager for the firm's international portfolios while providing oversight to the U.S. small-cap team. Brian received an MBA and a bachelor's degree in finance from the University of Iowa. Brian has earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute.

**Tiffany Lavastida, CFA | Portfolio Manager**

Tiffany is a portfolio manager for Principal Global Equities. Her responsibilities include portfolio management and analysis on the international small-cap team and covers financials, real estate, and energy sectors. Previously she was a sales assistant at Mid-America Securities Management. She received an MBA with a finance concentration and a bachelor's degree in finance from the University of Iowa. Tiffany has earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute.

**Product Strategy and Process**

The investment team seeks stocks where three conditions exist:

- Positive and Sustainable Fundamental Change
- Investor Expectation Gaps
- Attractive Relative Valuation

The strategy is supported by the Global Research Platform (“GRP”) which helps target stocks that fit the conditions preferred by the investment team. The GRP encompasses multiple distinct screening models tailored to specific regions and sectors. The ranking process prioritizes the most promising subset of companies based on the fundamental attributes they seek. Since 2003, portfolio managers and analysts have helped with the ongoing evolution of the GRP. The output of the GRP is rankings of the entire universe of stocks. Companies ranking in the top 20% of the available universe are considered the investable universe for the investment team.

The members of the investment team each have sector coverage responsibilities for their regions. The analysts review the top-rated stocks, identified by the GRP, and conduct fundamental research. This includes evaluating financial statements, regulatory filings, news flow, independent research networks, and sell-side research. The analysts seek to understand the competitive position of a company within its industry and its key business drivers. Company management teams can also be interviewed to better understand their past capital allocation decisions and future growth plans.

Ultimately, analysts apply a ranking of “outperform” to their highest conviction stocks. These recommendations are shared via an online portal, the Equities Research Dashboard, which also tracks company news, analysis from the GRP and other key characteristics. The portfolio managers review the information and opinions on the dashboard while continuing to communicate with analysts regarding

their conclusions. The portfolio managers are the final decision makers for the strategy. They determine the final stocks purchased for the portfolio, subject to risk constraints.

### Performance (as of December 31, 2024)

In the time since client inception (June 2018), the Principal separate account has underperformed its benchmark by 179 basis points since inception, annualized and net of fees, and ranked in the 83<sup>rd</sup> percentile. Over the recent 3-year period the fund has underperformed its benchmark by 42 basis points and ranked in the 48<sup>th</sup> percentile, while over the 5-year period the fund has underperformed its benchmark by 213 basis points and ranked in the 84<sup>th</sup> percentile. Principal has underperformed its benchmark over all trailing time periods shown below. The table below details Principal's performance (gross and net of fees) as of December 31, 2024.

	QTD	FYTD	1 Year	3 Years	5 Years	Since Incep.	Inception Date	Expense Ratio
<b>Principal Int'l Small Cap Core (SA) - Gross</b>	<b>-8.02</b>	<b>-0.46</b>	<b>2.37</b>	<b>-2.30</b>	<b>1.68</b>	<b>1.69</b>	<b>06/01/2018</b>	<b>0.42%</b>
MSCI Wrld ExUS Sm Cap Index (USD) (Gross)	-7.80	1.94	3.28	-2.29	3.33	2.99		
Difference	-0.22	-2.40	-0.92	-0.01	-1.65	-1.30		
<b>Principal Int'l Small Cap Core (SA) - Net</b>	<b>-8.11</b>	<b>-0.66</b>	<b>1.97</b>	<b>-2.71</b>	<b>1.20</b>	<b>1.20</b>	<b>06/01/2018</b>	
MSCI Wrld ExUS Sm Cap Index (USD) (Gross)	-7.80	1.94	3.28	-2.29	3.33	2.99		
Difference	-0.32	-2.60	-1.31	-0.42	-2.13	-1.79		
IM International Small Cap Equity (SA+CF) Median	-7.02	1.22	4.16	-2.85	4.62	3.73		
Rank	67	74	59	48	84	83		

	2023	2022	2021	2020	2019
<b>Principal Int'l Small Cap Core (SA) - Gross</b>	<b>14.60</b>	<b>-20.50</b>	<b>10.35</b>	<b>5.63</b>	<b>28.45</b>
MSCI Wrld ExUS Sm Cap Index (USD) (Gross)	13.20	-20.21	11.54	13.20	25.94
Difference	1.40	-0.30	-1.19	-7.57	2.51
<b>Principal Int'l Small Cap Core (SA) - Net</b>	<b>14.14</b>	<b>-20.88</b>	<b>9.75</b>	<b>5.03</b>	<b>27.73</b>
MSCI Wrld ExUS Sm Cap Index (USD) (Gross)	13.20	-20.21	11.54	13.20	25.94
Difference	0.95	-0.68	-1.79	-8.17	1.79
IM International Small Cap Equity (SA+CF) Median	15.09	-21.52	13.74	13.95	24.61
Rank	58	44	71	84	22

**Fees**

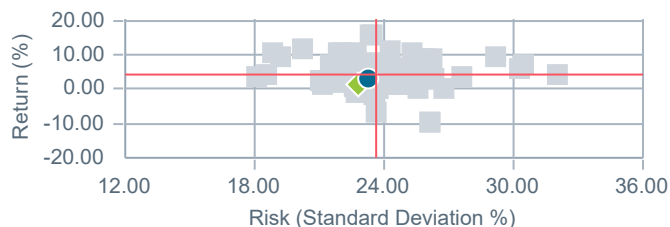
Principal charges 0.42% on the first \$100M, 0.385% on the next \$100M, and 0.35% thereafter. Based on the December 31, 2024, market value of \$214.4 million, the effective annual expense ratio is approximately 0.40%. This fee ranks in the 4<sup>th</sup> percentile when compared to the eVestment Non-US Diversified Small Cap Equity universe utilizing a separate account vehicle and comparable mandate size. The median fee for this universe is 80 basis points.

**Manager: Principal Int'l Small Cap Core (SA)**

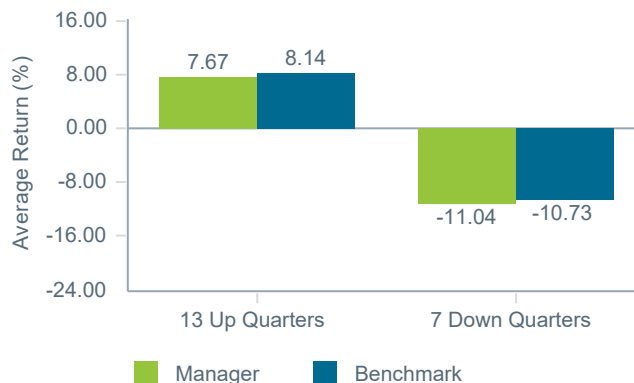
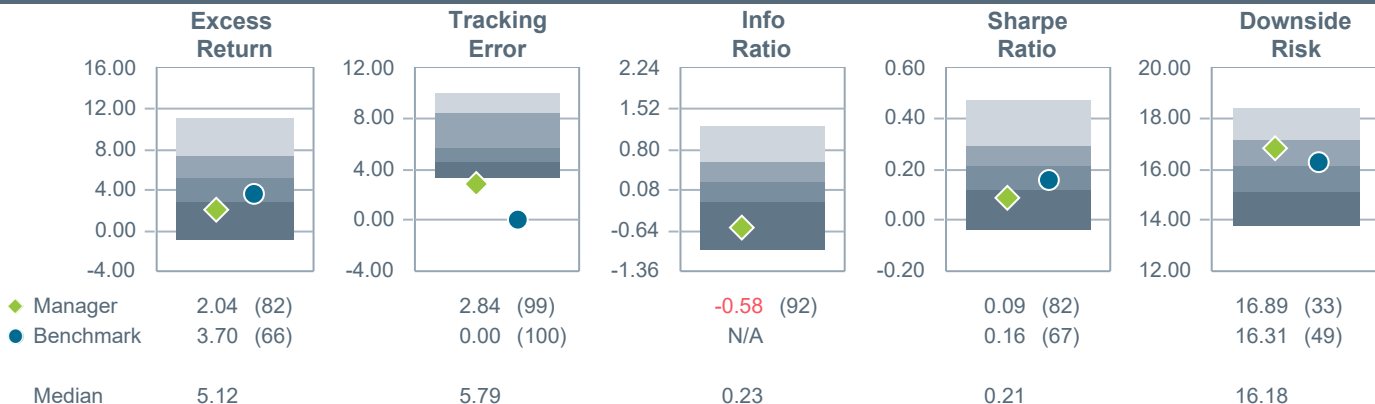
As of December 31, 2024

**Benchmark:** MSCI Wrld Ex US Sm Cap Index (USD) (Gross)**Peer Group:** IM International Small Cap Equity (SA+CF)

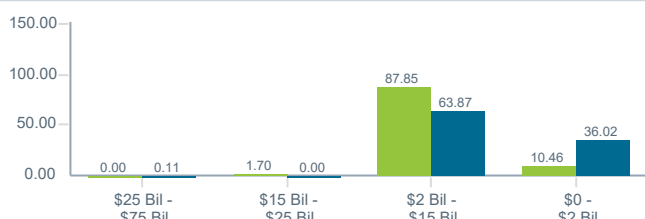
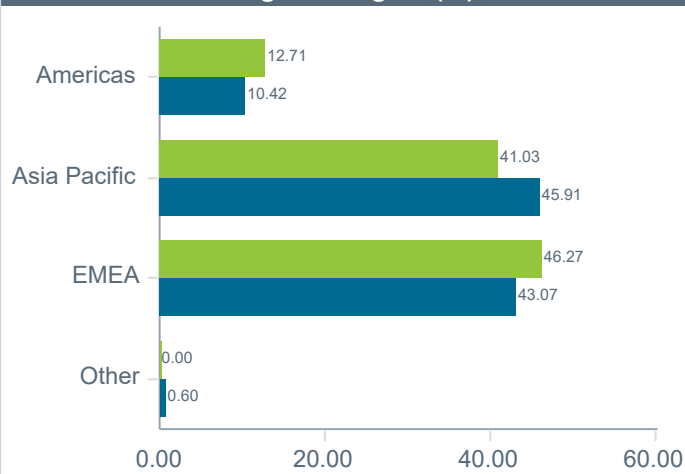
Performance											
	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	2019
Manager	-8.02	2.37	-2.30	1.68	N/A	N/A	14.60	-20.50	10.35	5.63	28.45
Benchmark	-7.80	3.28	-2.29	3.33	2.88	5.93	13.20	-20.21	11.54	13.20	25.94
Difference	-0.22	-0.92	-0.01	-1.65	N/A	N/A	1.40	-0.30	-1.19	-7.57	2.51
Peer Group Median	-7.02	4.16	-2.85	4.62	3.72	7.07	15.09	-21.52	13.74	13.95	24.61
Rank	67	59	48	84	N/A	N/A	58	44	71	84	22
Population	99	99	99	91	86	73	113	127	125	133	134

**Peer Group Scattergram - 5 Years**

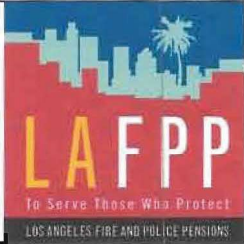
	Return	Standard Deviation
◆ Manager	1.68	22.83
● Benchmark	3.33	23.31
— Median	4.62	23.62

**Up/Down Markets - 5 Years****Peer Group Analysis - Multi Statistics - 5 Years (Excess Return vs. Risk Free)****Portfolio Characteristics and Dist. of Market Cap (%)**

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	4,986	3,082
Median Mkt. Cap (\$M)	4,141	1,345
Price/Earnings Ratio	13.91	14.02
Price/Book Ratio	2.20	2.07
5 Yr. EPS Growth Rate (%)	11.12	10.69
Current Yield (%)	2.85	3.21
Beta (5 Years, Monthly)	0.97	1.00
Number of Securities	144	2,249
Active Share	88.87	N/A

**Region Weights (%)**

Performance shown is gross of fees. Calculation is based on quarterly periodicity. Parentheses contain percentile ranks.



## **DEPARTMENT OF FIRE AND POLICE PENSIONS**

360 East Second Street, Suite 400  
Los Angeles, CA 90012  
(213) 978-4545

---

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

---

**March 17, 2011**

**ITEM: A.4**

**FROM:**  Michael A. Perez, General Manager

**SUBJECT: PRESENTATION BY RV KUHNS ON INTERNATIONAL EQUITY SEARCHES  
AND POSSIBLE BOARD ACTION**

---

#### **RECOMMENDATION**

That the Board approve the search procedures for active manager searches (page 2 of the attachment) and emerging manager and passive manager searches (page 3 of the attachment), as proposed by the General Consultant, RV Kuhns.


#### **BACKGROUND**

At the meeting of February 17, 2011 the Board approved searches for an International Equity Large Cap Core passive manager, an International Equity Large Cap Growth manager, an International Equity Small/Mid Cap manager and an Emerging Markets Equity manager. The Board also considered approving searches for Emerging Managers in one or more of the approved searches.

At the meeting of March 3, 2011 the Board discussed various models for manager searches. The Board consensus was to employ a hybrid selection model, in which the Board, Staff and the Consultant would all participate in the search process. RV Kuhns was directed to report back with specific recommendations on the timing and degree of involvement by the participants in the search process. RV Kuhns appears today to discuss its recommendations (attached).

Also at the March 3, 2011 meeting the Board approved a search for an International Equity Emerging Manager. The attached recommendations include a proposed process for Emerging Manager searches.

Staff has discussed the search processes with RV Kuhns, and supports the recommendations.

  
Rick Rogers  
Investment Officer

MAP:TL:RR  
Attachment



# RVKuhns

▶▶▶ & ASSOCIATES, INC.

---

## MEMORANDUM

---

**To:** The Los Angeles Fire and Police Pensions System (LAFPP)  
**From:** R.V. Kuhns & Associates (RVK)  
**Re:** Investment Manager Search Selection Process  
**Date:** March 17, 2011

---

### Background

At the March 3, 2011 meeting, the Board discussed various manager selection models with LAFPP Staff and RVK. The objective of these discussions was to evaluate Board involvement in manager selection decisions going forward. To briefly summarize, the Board indicated a preference for a hybrid selection model that incorporates the following:

- Blends Board involvement and Staff discretion.
- Staff and the Consultant are largely responsible for search execution, but the Board may be involved at multiple touch points along the way.
- Integrates Staff expertise with Board perspectives but requires clear delineation of discretionary authority at each step in the search process.

The Board also indicated a preference to continue the practice of using a full procurement model, inclusive of a request for proposal (RFP) for emerging manager searches, while using a limited procurement model which leverages available database information for traditional manager searches. In addition, the Board clarified their expectations that Staff would be primarily responsible for passive manager searches, while RVK would have responsibility for active and emerging manager searches.

In follow up to those conversations, the Board requested that Staff and RVK delineate the steps involved in each of the search processes discussed and the multiple decision points that could involve the Board.

### Manager Search Process Decision Points

The number of steps involved in the search process depends on the procurement model. Full procurement models requiring customized RFP's with prolonged response times naturally require more work than search processes that leverage database information for initial manager identification and screening. In addition, passive searches are typically less time and resource intensive than active manager searches. Given that LAFPP utilizes a full procurement model for emerging manager searches and a limited procurement model for traditional manager searches, we developed a list of decision points for both processes.

The objective of this exercise is to identify a comprehensive list of search activities that may involve the Board, LAFPP Staff, and RVK, either in isolation, or working together on the search activity. In addition to the specific steps outlined in the search process, we also included a

general timeframe for step completion. It's important to recognize that the timeframe for completion that is inherent in a full procurement model or in a model requiring multiple levels of Board approval will naturally be longer than in a search process that leverages database information and/or one with higher levels of Staff and Consultant discretion.

The tables below summarize the search activities considered in the process and the recommended distribution of responsibilities between the Board, Staff and RVK. In identifying these steps, we have also included our recommendation on the touch points of Board involvement in each of the search processes. In our experience, the recommended touch points have proven to be most productive in balancing Board engagement while limiting the administrative burden and providing for acceptable levels of Staff discretion.

Although RVK will have primary responsibility for active and emerging manager searches, Staff involvement will be crucial to evaluating the managers and identifying finalist candidates. Conversely, although Staff will have primary responsibility for passive searches, RVK is expected to be available to provide reviews and analytical support to that process. Consequently, both Staff and RVK are identified in many of the steps for all three search processes.

Decision Points for Active Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
4 Compile search document utilizing database	X	X			1-3 weeks
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
7 Semi-Finalist Review	X	X			1-2 weeks
8 Identify and approve finalist candidates			X	Recommended	Board Meeting
9 Interview finalists and select manager	X	X	X	Recommended	4 weeks
10 Contract Negotiations		X			2-3 weeks
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate		X			1 week
Total Time from Search Approval to Funding					12-16 weeks



Decision Points for Emerging Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
4 Develop customized RFP	X	X			2-4 weeks
5 Approve RFP and channels for distribution			X	Recommended	Board Meeting
6 Collect RFP responses	X	X			4-6 weeks
7 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
8 Identify semi-finalists for further due diligence	X	X			1-2 weeks
9 Semi-Finalist Review	X	X			1-2 weeks
10 Identify and approve finalist candidates			X	Recommended	Board Meeting
11 Interview finalists and select manager	X	X	X	Recommended	4 weeks
12 Contract Negotiations		X			2-3 weeks
13 Contract Signed by Board President			X	Recommended	President only
14 Fund Mandate		X			1 week
Total Time from Search Approval to Funding					16-20 weeks

Decision Points for Passive Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Identify minimum qualifications and evaluation criteria		X			1-2 weeks
4 Create search comparison	X	X			1-3 weeks
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
7 Semi-Finalist Review	X	X			1-2 weeks
8 Identify finalists candidates	X	X			1-2 weeks
9 Interview finalists and select manager	X	X			4 weeks
10 Contract Negotiations		X			2-3 weeks
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate		X			1 week
Total Time from Search Approval to Funding					12-16 weeks

In reviewing these processes, the recommended Board touch points are as follows:

**Active Manager Searches**

1. Approve search and specific mandate
2. Approve minimum qualifications and evaluation criteria
3. Approve finalists
4. Interview finalists and select manager
5. Sign contract (Board President)

**Emerging Manager Searches**

1. Approve search and specific mandate
2. Approve minimum qualifications and evaluation criteria
3. Approve RFP channels for distribution
4. Approve finalists
5. Interview finalists and select manager
6. Sign contract (Board President)

**Passive Manager Searches**

1. Authorize search and approve mandate
2. Sign contract (Board President)

In recommending these touch points, we recognize that the Board may elect to be involved in any of the steps outlined for the manager selection processes. We have provided the detailed breakdown of the search activities for the Board to review and we look forward to discussing the search process with the Board at the upcoming meeting.

Decision Points for Active Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
<b>1 Authorize search and approve mandate</b>			X	Recommended	Board meeting
<b>2 Assess existing portfolio and propose search criteria</b>	X	X			1-2 weeks
Profile existing managers	X				
Initial scan of universe of available managers	X				
Identify complementary strategies	X				
Customize evaluation criteria:	X				
Organizational depth and resources					
Organizational stability					
Investment methodology					
Assessment of performance					
Fit with existing managers & structure					
Fees					
<b>3 Approve minimum qualifications and evaluation criteria</b>			X	Recommended	Board Meeting
Customized based on the results of Step 2					
<b>4 Compile search document utilizing database</b>	X	X			1-3 weeks
Identify appropriate database (eVestment, Morningstar, etc.)	X				
Apply screens for evaluation criteria and minimum qualifications	X				
Identify long list of managers for evaluation	X				
Ensure manager data is updated and reliable	X				
Verify managers meet minimum qualifications	X				
Fill manager data gaps and clarify data questions	X				
Identify appropriate peer groups and benchmarks	X				
Identify relevant search metrics	X				
Compile search document	X				
<b>5 Quantitative &amp; Qualitative Review of search document</b>	X	X			1-2 weeks
Assess manager comparisons	X				
Rank managers for further evaluation	X				
Narrow list to semi-finalists	X	X			
Recommend semi-finalists to Board	X				
<b>6 Identify semi-finalists for further due diligence</b>	X	X			1-2 weeks
Based on results of step 5					
<b>7 Semi-Finalist Review</b>	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)	X				
Select and recommend finalists to the Board based on results of the search, quantitative and qualitative factors, and those that appear to have the highest probability of success over the next three to five years.	X	X			
<b>8 Identify and approve finalist candidates</b>			X	Recommended	Board Meeting
Based on results of step 7					
<b>9 Interview finalists and select manager</b>	X	X	X	Recommended	4 weeks
Inform finalists and schedule interviews	X	X			
On-site visits and additional due diligence	X	X			
Finalists present to Board	X	X	X		
Approve manager decision			X		
<b>10 Contract Negotiations</b>		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
<b>11 Contract Signed by Board President</b>			X	Recommended	President only
<b>12 Fund Mandate</b>		X			1 week
<b>Total Time from Search Approval to Funding</b>					<b>12-16 weeks</b>



Decision Points for Emerging Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
<b>1 Authorize search and approve mandate</b>			X	Recommended	Board meeting
<b>2 Assess existing portfolio and propose search criteria</b>	X	X			1-2 weeks
Profile existing managers	X				
Initial scan of universe of available managers	X				
Identify complementary strategies	X				
Customize evaluation criteria:	X				
Organizational depth and resources					
Organizational stability					
Investment methodology					
Assessment of performance					
Fit with existing managers & structure					
Fees					
<b>3 Approve minimum qualifications and evaluation criteria</b>			X	Recommended	Board Meeting
Customized based on the results of Step 2					
<b>4 Develop customized RFP</b>	X	X			2-4 weeks
Specify asset class, minimum qualifications and evaluation criteria	X				
Post RFP on website or take out journal advertisement	X				
Notify managers in eVestment Alliance	X				
Collect managers' formal acknowledgement of meeting the qualifications	X				
Ensure manager data is updated and reliable	X				
Collect manager questions	X				
Post responses to the questions	X				
Fill manager data gaps and clarify responses	X				
<b>5 Approve RFP and channels for distribution</b>			X	Recommended	Board Meeting
<b>6 Collect RFP responses</b>	X	X			4-6 weeks
Clarify outstanding questions					
Compile search document					
<b>7 Quantitative &amp; Qualitative Review of search document</b>	X	X			1-2 weeks
Assess manager comparisons	X				
Rank managers for further evaluation	X				
Narrow list to semi-finalists	X	X			
Recommend semi-finalists to Board	X				
<b>8 Identify semi-finalists for further due diligence</b>	X	X			1-2 weeks
Based on results of step 7					
<b>9 Semi-Finalist Review</b>	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)	X				
Select and recommend finalists to the Board based on results of the search, quantitative and qualitative factors, and those that appear to have the highest probability of success over the next three to five years.	X	X			
<b>10 Identify and approve finalist candidates</b>			X	Recommended	Board Meeting
Based on results of step 9					
<b>11 Interview finalists and select manager</b>	X	X	X	Recommended	4 weeks
Inform finalists and schedule interviews	X	X			
On-site visits and additional due diligence	X	X			
Finalists present to Board	X	X	X		
Approve manager decision			X		
<b>12 Contract Negotiations</b>		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
<b>13 Contract Signed by Board President</b>			X	Recommended	President only
<b>14 Fund Mandate</b>		X			1 week
<b>Total Time from Search Approval to Funding</b>					16-20 weeks

Decision Points for Passive Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
Profile existing managers		X			
Initial scan of universe of available managers		X			
Identify complementary strategies		X			
Customize evaluation criteria:		X			
Organizational depth and resources					
Organizational stability					
Fees					
3 Identify minimum qualifications and evaluation criteria		X			1-2 weeks
Customized based on the results of Step 2					
4 Create search comparison	X	X			1-3 weeks
Apply screens for evaluation criteria and minimum qualifications		X			
Identify list of managers for evaluation		X			
Ensure manager data is updated and reliable		X			
Verify managers meet minimum qualifications		X			
Identify relevant search metrics		X			
Compile search comparison		X			
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
Assess manager comparisons		X			
Rank managers for further evaluation		X			
Narrow list to semi-finalists		X			
Recommend semi-finalists to Board		X			
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
Based on results of step 5					
7 Semi-Finalist Review	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)		X			
Identify finalists based on results of the search, quantitative and qualitative factors, and those that offer the lowest fees and tracking error to the relevant index.		X			
8 Identify finalists candidates	X	X			1-2 weeks
Based on results of step 7					
9 Interview finalists and select manager	X	X			4 weeks
Inform finalists and schedule interviews		X			
On-site visits and additional due diligence		X			
10 Contract Negotiations		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate		X			1 week
Total Time from Search Approval to Funding					12-16 weeks



## Memorandum

To	The Los Angeles Fire and Police Pensions System ("LAFPP")
From	RVK, Inc. ("RVK")
Subject	International Equity Small Cap Search Minimum Qualifications
Date	July 2025

### Recommendation

That the Board considers the following Minimum Qualifications ("MQs") when screening for active international equity small cap managers.

### Background

At the March 6, 2025 Board meeting, the Board reviewed and extended the Principal International Small Cap Core ("Principal") mandate for a year and authorized Staff and Consultant to conduct a search for potential replacement options given concerns regarding the Principal account. The purpose of this memo is to propose MQs to focus the search on potential candidates to evaluate. The proposed mandate size is approximately \$225 million based on March 31, 2025 Plan assets. The manager will complement the Plan's other manager in this space, Victory Trivalent International Small Cap Core.

### Discussion

RVK has developed the following suggested screening criteria for the search under consideration. There are currently 169 small cap international equity strategies in the eVestment database, and based on the following criteria, we have listed how many managers would be eliminated at each stage.

Proposed Criteria	Rationale
<b>Product is Open</b>	Some strategies are closed to new investors.
<b>Minimum 5-Year Track Record</b>	The majority of the universe is comprised of managers with mature track records. Newer firms or products have surfaced in recent years without sufficient track records of managing through a full cycle. Preference should be given to those managers who have demonstrated their capabilities through both strong and weak markets.
<b>Strategy AUM &gt; \$900 million</b>	LAFPP is limited to 20% of strategy assets; a \$225 million mandate would necessitate a strategy AUM of at least \$900 million (\$1,125 million after the \$225 million mandate is added).
<b>Strategy AUM &lt; \$10 billion</b>	This is a capacity-constrained asset class where the ability to add value decreases as AUM increases.

The screening criteria recommended above for the search process are intended to serve as minimum qualifications for managers to be considered for this mandate. RVK will use the eVestment database information to perform the minimum qualification screens. RVK has compared the universe of global managers in eVestment to Morningstar and found it to have a larger population. A summary of how the



MQs narrow the universe down to a smaller subset is provided below. Please note that the potential universe size is based on manager-entered data and may change after managers confirm in writing that they meet the MQs.

Proposed Criteria	Starting Universe	Products Eliminated
Product is Open	169	9
Minimum 5-Year Track Record	160	21
Strategy AUM > \$900 million	139	102
Strategy AUM < \$10 billion	37	3

After all managers are screened, the list of approximately 34 managers will be evaluated against additional characteristics to cull the list down further and establish a group of candidates that will be considered for investment. These characteristics will include:

- **Firm** – ownership, regulatory compliance, assets, insurance levels, organizational stability
- **Team** – years of experience in the industry and at the firm, overall team stability
- **Performance** – consistency of returns and peer rankings, as well as risk-adjusted return metrics
- **Volatility** – standard deviation and downside market capture over various time periods
- **Product** – multiple attributes such as: number of holdings, sector allocation and limits, turnover, cash position, and assets
- **Fit** – Fit with LAFPP’s international equity composite and existing managers.
- **Fees**

Utilizing the above referenced screening characteristics, we believe the search process will result in a list of 8-10 qualified managers to be evaluated in further detail. After analyzing the screening results, Staff and RVK will collectively determine the candidates that are the most attractive options and recommend 3 of those candidates to present to the Board for final interviews.

**Memorandum**

To	Los Angeles Fire and Police Pension System (LAFPP)
From	RVK, Inc. (RVK)
Subject	Active International Small Cap Equity - Finalist Summary
Date	December 18, 2025

**Executive Summary**

Following the issuance of an Active International Small Cap Equity search on September 26, 2025, RVK and Staff performed due diligence to identify a list of three top-tier candidates capable of managing an Active International Small Cap Equity strategy with an expectation of outperformance relative to peers and its benchmark. The following managers are the three finalists identified by both RVK and Staff for the prospective allocation:

- Acadian Asset Management (Acadian)
- AllianceBernstein LP (Alliance Bernstein)
- Man Numeric

**Search Background**

At the Board meeting held on March 6, 2025, the Board reviewed and approved a recommendation to extend the contract for Principal International Small Cap Equity strategy for 1 year. This extension was intended to allow Staff and RVK time to conduct a search to identify a replacement. The rationale for replacement included the strategy experiencing a declining asset base and poor performance, relative to peers and benchmark, since being initially funded in May 2018.

The discussion led to a decision to search for an additional active International Small Cap Equity manager that has demonstrated the ability to generate excess returns and whose style is expected to complement the incumbent strategy managed by Victory Capital Management (Victory). The Board approved an approximate mandate size of \$225 million, which represents the asset managed by Principal. As a result of this approval, RVK and Staff initiated the search process on September 26, 2025.



### Search Process

Prior to sending the RFP to potential candidates, RVK proposed a set of minimum qualifications to ensure only applicable strategies would be reviewed. The following screening criteria for the search was approved at the July 3, 2025 Board meeting.

Minimum Qualifications – Rationale	
Criteria	Rationale
Separate Account is Open	Some strategies are closed to new investors or do not offer separate accounts in this space.
Minimum 5 Year Track Record	Preference should be given to those managers that have demonstrated their capabilities through different conditions across a full market cycle.
Strategy AUM > \$900 million	LAFPP is limited to 20% of strategy assets; a \$225 million mandate would require a strategy AUM of at least \$900 million (\$1.125 billion after \$225 million mandate is added).
Strategy AUM < \$10 billion	Preference was given to strategies below the asset levels of the largest strategies in the peer group to avoid the potential impacts of operating with a large asset base in a lower liquidity asset class.

RVK and Staff used additional criteria to narrow the search prior to candidates being contacted with the RFP documents. The screening criteria are summarized below.

Additional Screens – Rationale	
Criteria	Rationale
Strategy style is core	Focuses evaluation on strategies that would not introduce significant style risk when paired with Victory.
Strategy focus is small cap	Focuses evaluation on strategies with portfolios that are focused on small cap securities to avoid overlap with other strategies used within the international equity asset class.

A summary of how the minimum qualifications narrowed the universe to a subset is provided below. Please note the potential universe size is based on manager-entered data which is subject to change. There were 167 strategies in the eVestment US Diversified Non-US Small Cap peer group when the search launched. The number of managers eliminated at each stage are summarized in the table below. Given the offering of a separate account can be a case-by-case decision for investment managers, that criteria was not used to narrow the universe, but was applied when reviewing the RFP responses. The eVestment database does not charge investment management firms for inclusion. The RFP was sent out on September 26, 2025 with firms required to respond by October 10, 2025.

Minimum Qualifications and Additional Screens – Eliminated Products		
Proposed Criteria	Starting Universe	Products Eliminated
Minimum 5 Year Track Record	167	32
Strategy AUM > \$900 million	135	94
Strategy AUM < \$10 billion	41	4
Strategy style is core	37	23
Strategy focus is small cap	14	2
Potential Candidate Universe	12	---

RVK and Staff discussed the potential candidates resulting from these screens and focused on the candidate universe of 12. A request for proposal (RFP) inclusive of an extensive questionnaire was sent to each of these 12 firms and 7 of the firms responded, each meeting the minimum qualifications stated in the RFP. RVK and Staff worked in tandem to further evaluate these candidates. A summary of the characteristics reviewed and discussed is provided below.

- Organization
- Professional Staff
- Assets Under Management
- Investment Philosophy and Process
- Trading
- Performance
- Portfolio Risk Management
- Operations
- Fees

RVK and Staff invited the 7 candidates to participate in virtual video interviews, with RVK and Staff in attendance. Information shared during these interviews enabled further evaluate the organizational stability, team depth, and process quality of each firm. The firms involved in this phase of the process are listed below.

- Alliance Bernstein
- Acadian Asset Management
- Fidelity Investments
- Global Alpha Capital Management
- Goldman Sachs Asset Management
- Man Numeric
- Wellington Management Company LLP

Following the interviews, RVK and Staff discussed the strategies with regard to their client footprint and experience, firm and team assets under management, longevity of the strategy and team, performance track record, experience of the investment team, risk management, among other areas. Based on these areas of focus, both RVK and Staff recommend that the Board interview the following three candidates.

- Acadian Asset Management
- Alliance Bernstein
- Man Numeric

### Fees

Each of the finalists recommended for Board interviews have proposed fees, which are below the 25<sup>th</sup> percentile of the fees listed in the eVestment Non-US Small Cap peer group for a separate account with a mandate size of \$225 million.

	Calculated Fee at \$225M Mandate
Acadian	69
Alliance Bernstein	55
Man Numeric	69
eVestment Non-US Small Cap 25 <sup>th</sup> Percentile	70
eVestment Non-US Small Cap Median	78

**Appendix A** includes profiles for each of the three finalist managers that underwent a comprehensive due diligence review and virtual video interview with Staff and RVK. **Appendix B** shows performance and portfolio information for each of these managers.

## Appendix A

### Acadian Asset Management

#### Firm Background

Acadian was founded in Boston in 1986. In 1992, Acadian became an affiliate of Boston-based United Asset Management which was acquired in October 2000 by Old Mutual plc, a publicly traded international financial services group, which was later rebranded to Brightsphere. More recently, the parent company has divested of other asset management companies and focused its business around Acadian. The publicly traded entity has since rebranded to Acadian Asset Management Inc., trading under the ticker AAMI.

#### Team

The investment team is led by CIO Brendan Bradley. There are four distinct groups that contribute to the quantitative investment process. These are Investment Analytics & Data (32 members), Research (16 members), Portfolio Management (24 members), and Implementation (31 members). These groups work collaboratively to maintain and enhance the quantitative model that is used across all strategies at the firm.

#### Philosophy and Process

The team follows a quantitative process that is based on fundamental valuation. They believe market inefficiencies are caused by behavioral anomalies such as investors' overconfidence and pessimism.

- Their process starts with a broad universe of 43,000 stocks that are ranked using bottom-up (value, growth, quality, technical), top-down factors (value, growth, technical, risk, macro), and peer (fundamentals, growth, momentum). Bottom-up factors receive the majority of the weight and are relative to stocks within similar sectors or industries.
- After the universe has been ranked, an optimizer is used to mitigate risk and maximize return. Portfolios are optimized to maximize idiosyncratic risk and subsequently, tend to reflect the benchmark in terms of industry and country/region exposures.

Given the inclusion of emerging markets within the asset class benchmark, Acadian will maintain exposure to emerging markets countries within the portfolio, typically at a similar or higher level than the benchmark.

#### Risks to Consider

Acadian has experienced underperformance at inflection points, but rebounded following past occurrences. The firm has also had past team turnover among its research team. While it has been stable for the past five years, it is a trend that is consistently monitored given the importance of research to the investment process. Additionally, Acadian may not be able to take the full mandate initially and the position will need to be built over time as capacity becomes available.



## AllianceBernstein, LP

### Firm Background

Alliance Bernstein is an independent partially owned subsidiary of AXA Financial, Inc. (AXA). AXA owns approximately 69% of AB. The remaining ownership is divided between public shareholders (22%) and AB Directors, Officers, and employees (9%). AB currently employs over 550 investment professionals. The firm is a scaled asset manager with a global footprint that has offerings across asset classes.

### Team

Alliance Bernstein's International Small Cap strategy is managed by Andrew Birse (Portfolio Manager since 2014) and Vivian Chen (2016) on a consensus basis. Mr. Birse has been at the firm since 2010 and started in the industry in 2002. Ms. Chen has been at the firm since 2012 and in the industry since 2006. They are supported by the firm's broader resources. The majority of ideas come from discussions with analysts and regional teams. The firm's investment team is located around the globe, currently 20 analysts outside the United States supports this team

### Philosophy and Process

The strategy seeks to outperform its benchmark by applying a value-driven investment approach. The team believes that opportunities are created when a company faces a controversy or investors question a company's long-term earnings prospects. The team also believes that investors tend to overreact to short-term events and make irrational decisions. Investment decisions are guided by a disciplined, bottom-up process that integrates both fundamental and quantitative research.

The team uses the quantitative model to rank each stock in the universe by expected return using multiple factors that capture different perspectives on a stock's potential, including valuation, earnings and quality. Fundamental research analysts then identify companies undergoing positive change, underappreciated competitive advantages and strong/improving industry dynamics. After the research candidates are identified, the fundamental analysts then conduct research to develop a five-year forecast of a company's income statement, cash flows, and balance sheet. The key is the internal rate of return generated from their cash flow projections, without multiple expansion. The analysts' forecast is then reviewed by the portfolio managers.

Given the inclusion of emerging markets within the asset class benchmark, Alliance Bernstein will maintain exposure to emerging markets countries within the portfolio, typically at a similar level to the benchmark, with some incremental variation over time.

### Risks to Consider

While a co-portfolio management structure is in place, key person risk is still inherent in this approach as the departure of either portfolio manager would require further due diligence to confirm that an appropriate replacement is identified.



## Man Numeric

### Firm Background

Numeric Investors LLC was founded in 1989 and was acquired by Man Group plc in September 2014. Man Group plc was founded in 1783 as a brokerage firm and, in 2000, transitioned to an investment management business following the demerger of its brokerage business. Man Group has grown significantly through strategic acquisitions, which includes Numeric. Man Group is a publicly traded company listed on the London Stock Exchange under the ticker “EMG”.

### Team

The Equities portfolio management team includes two senior portfolio managers, supporting portfolio managers and associate portfolio managers in addition to research analysts. The portfolio management team is further supported by five other groups: Strategic Alpha Research (‘SAR’) team, Risk team, Man Group’s centralized trading group, Man Group’s technology teams and the Client Portfolio Management team. In addition, the entire investment process is overseen by Man Numeric’s Investment Committee, which includes the CIO, Director of Portfolio Management, Director of Research, and other executives.

### Philosophy and Process

The International Small Cap strategy utilizes a systematic, quantitative investment process that combines bottom-up fundamental analysis with quantitative models to be an all-weather approach that has the potential to generate attractive, risk-adjusted excess returns in a variety of market environments. Stock selection for the core investment process is based on the output of proprietary investment models and validated by the portfolio managers’ fundamental knowledge of the investable universe to make investment decisions.

The strategy aims to have balanced exposure to each of the five high-level model pillars (Valuation, Momentum, Quality, Informed Investor, and Factor Selection). Weights are determined by a combination of expected alpha, predictive power, and correlations between the models with constraints related to market impact and benchmark exposures. The strategy focuses on stock selection within a universe of approximately 3,500 stocks across 22 developed markets, including all stocks within the MSCI World ex-US Small Cap Index.

The strategy does not include emerging markets and focuses on small cap stocks within developed international countries.

### Risks to Consider

As with other quantitative strategies, this approach can underperform at sharp market inflection points when market trends reverse. This specific strategy also has client concentration with three large accounts representing most of the strategy assets. While the quantitative platform has a broader client base overall, the client concentration risk would be a factor to monitor going forward.

## Appendix B (Performance as of 9/30/2025)

### Trailing Period Returns (Gross of Fees)

	1 Year	3 Years	5 Years	7 Years	10 Years
Acadian	22.19	23.93	15.72	11.62	12.90
AllianceBernstein	25.13	24.33	11.97	7.57	10.35
Man Numeric	27.16	28.56	15.28	9.76	10.58
<b>MSCI ACWI ex US Small Cap Index</b>	16.51	19.95	10.48	7.65	8.83
<b>MSCI World ex US Small Cap Index</b>	19.97	20.59	9.75	7.13	8.76
<b>eVestment Non-US SC Median</b>	19.60	20.58	10.56	7.72	9.37

### Calendar Year Returns (Gross of Fees)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Acadian	12.72	16.68	-14.47	23.49	18.71	21.46	-17.82	38.98	9.29	3.13
AllianceBernstein	9.27	13.43	-20.04	12.36	7.80	22.00	-15.33	41.61	6.77	2.51
Man Numeric	14.33	17.98	-16.01	15.72	6.29	24.97	-21.76	34.96	4.24	11.56
<b>MSCI ACWI ex US Small Cap Index</b>	3.85	16.23	-19.57	13.36	14.67	22.93	-17.89	32.12	4.29	2.95
<b>MSCI World ex US Small Cap Index</b>	3.28	13.20	-20.21	11.54	13.20	25.94	-17.75	31.54	4.72	5.83
<b>eVestment Non-US SC Median</b>	4.00	15.72	-20.50	14.10	13.06	24.90	-18.81	34.99	1.89	9.60

### Trailing 10 Year Risk, Risk-Adjusted Returns and Excess Return Correlations with Victory

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio	Emerging Markets Allocation	Excess Return Correlation with Victory
Acadian	15.94	0.68	3.60	1.13	34%	0.12
AllianceBernstein	17.02	0.48	3.95	0.39	33%	0.30
Man Numeric	17.48	0.48	3.39	0.52	0%	0.42
<b>MSCI ACWI ex US Small Cap Index</b>	16.33	0.41	0.00	---	30%	---
<b>eVestment Non-US SC Median</b>	16.98	0.43	4.81	0.10	25%*	---

\* Represents median of strategies managed against the MSCI ACWI ex USA Small Cap Index which includes emerging markets.

# Los Angeles Fire and Police Pensions

All-Country World ex-U.S. Small-Cap Equity

January 15, 2026



# Presentation Team

## **Anna Papush, Ph.D. — Vice President, Associate Portfolio Manager, Equity**

Anna joined Acadian in 2018 and is an Associate Portfolio Manager on the Equity Team. Prior to Acadian, she worked as a research assistant at the Operations Research Center at MIT, where she developed data-driven product recommendation systems and researched machine learning applications in the medical and utilities industries. She also previously worked as a researcher in IBM's smarter commerce and supply chain group. Anna holds a Ph.D. in operations research and a B.A. in mathematics (cum laude) from Cornell University.

## **Andrew Miller — Senior Vice President, Americas Client Group**

Andrew joined Acadian in 2004 and is a senior member of Acadian's Global Client Group, focusing on business development within public pension and Taft-Hartley funds. Prior to his current role, he worked in client service, business development, and operations functions at Acadian. Before joining Acadian, he worked in global custody at State Street Corporation. Andrew is a member of numerous public pension associations including the National Association of State Retirement Administrators (NASRA), National Council on Teacher Retirement (NCTR), National Conference on Public Employee Retirement Systems (NCPERS), and the State Association of County Retirement Systems (SACRS). He also serves on the Fenway High School (Boston) Investment Committee. Andrew received an M.B.A. from Northeastern University and a B.A. from Wheaton College.



# OVERVIEW

# Acadian

Investing systematically for over 30 years, we combine intellectual rigor, rich data, and powerful tools to deliver results with analytical clarity.

# Acadian Systematic Investing Built On



**Economic intuition & insights of a talented, experienced, diverse group of investors:**

100+ person investment team | 1600+ years' collective experience  
95+ advanced analytical degrees

**PEOPLE**

**DATA**

**Extensive data repository supplemented by alternative data scouting effort:**

620M+ daily observations | 61TB+ data  
150+ global markets | 65K+ traded assets



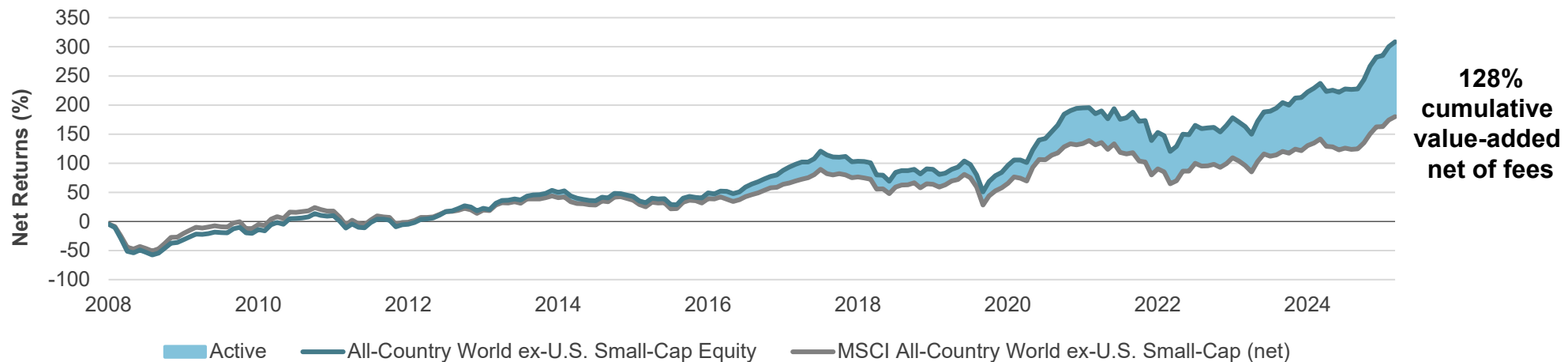
**Transforming information into insights:**

Robust technological infrastructure  
Sophisticated analytical tools & portfolio attribution illuminate trends, relationships, and drivers of alpha

**CLARITY**

# Why Acadian in All-Country World Ex-U.S. Small-Cap?

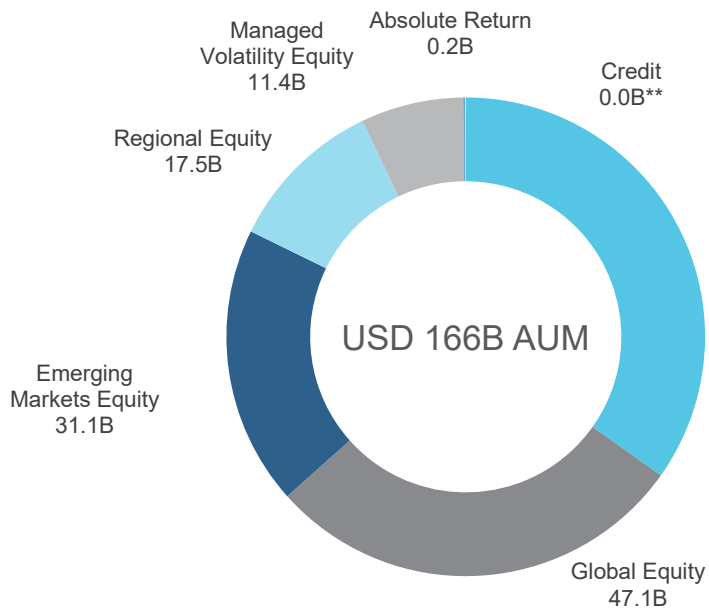
- Founded in 1986 on the principle of investing in All-Country World ex-U.S. Small-Cap equities
- Broad and mispriced security universe in an inefficient asset class
- Outperformance in 12 out of 17 years, with a since inception annualized return of 8.5% versus 6.2% for the benchmark as of September 30, 2025\*



\*All-Country World ex-U.S. Small-Cap Equity composite versus the MSCI AC World ex-US Small Cap benchmark. After management fees. Performance inception July 1, 2008. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# Organizational Overview

- Acadian has been a pioneer in systematic investing since our founding in 1986
- We believe that a systematic approach grounded in fundamentals is well suited to delivering consistent risk-adjusted returns
- Our 372-person team is focused on continuous research and innovation



September 30, 2025

Rounding is applied to the total firm AUM which includes \$1357.2 million in model advisory contracts where Acadian does not have trading authority. The individual strategy level assets under management (AUM) are rounded to the nearest million unless otherwise noted and do not include model advisory assets.

\*As a separate legal entity, Acadian Asset Management (Australia) Limited. This was initially established as a joint venture with Colonial First State Investments Limited and became a wholly owned entity on June 30, 2015.

\*\*Credit AUM: \$68.0M

# Investment Team – Equities



# Representative Investors

## Public

---

Employees' Retirement Fund of the City of Dallas  
 Florida State Board of Administration  
 Los Angeles County Employees Retirement Association  
 Massachusetts Pension Reserves Investment Management Board  
 Municipal Employees' Retirement System of Michigan  
 New York City Employees Retirement System  
 Ohio Public Employees Retirement System  
 Oregon Public Employees  
 Public School & Education Employee Retirement Systems of Missouri  
 Tennessee Consolidated Retirement System  
 Virginia Retirement System  
 West Virginia Investment Management Board

## Corporate

---

3M Company  
 Altria Group  
 Dow Inc.  
 JM Family Enterprises, Inc.  
 Pfizer  
 The Boeing Company

## Endowment/Foundation

---

Carnegie Mellon University  
 Cornell University

## Sub-Advisory

---

Harbor International Core Fund  
 Optimum International Fund  
 SEI

## Taft-Hartley

---

North Atlantic States Carpenters Benefit Funds  
 Producer-Writers Guild of America Pension Plan

## Asia

---

Government Pension Fund [Thailand]  
 Government Pension Investment Fund [Japan]  
 Khazanah Nasional Berhad  
 Permodalan Nasional Berhad (PNB)

## Australia

---

Aware Super  
 Colonial First State Investments Ltd.  
 Rest Super

## Canada

---

Mouvement Desjardins  
 Ville de Montréal

## Europe

---

Fidelity International  
 Hampshire County Council  
 Kempen Capital Management



The background of the image is a complex, abstract network of thin, light blue lines connecting numerous small, dark blue circular nodes. The nodes are distributed across the entire frame, with some areas being more densely connected than others, creating a sense of a vast, interconnected system. The overall aesthetic is clean and modern, typical of digital or technological themes.

**PROCESS**

# Investment Philosophy

- Financial assets are often **mispriced** due to investors incorrectly processing information, having incomplete information, or both
- **Systematic** processes best capture inefficiencies arising from mispriced fundamental and market information
- Our **edge** comes from embracing new ideas and a continuous investment in people, technology, and data

# Investment Process



**All-Country World ex-U.S. Small-Cap**

34,500 stock investment universe



**Objective Return Forecast**

**Stock-specific**

Selection within traditionally defined groups

+

**Peer**

Overlooked information from alternative peer groups

+

**Macro**

Top-down group signals (industry and country)



**Disciplined Portfolio Construction**

Multi-horizon forecasts

Proprietary risk models

Dynamic transaction cost modeling



**Structured Trading Process**

Systematic approach

Dynamic routing based on order profiling

Real-time oversight

# Return Forecast Example

Model	Theme	Sample signals	Forecast
Stock-Specific	Value	→ Adjusted Intrinsic Value Extended Asset Value	+0.46
	Quality	→ Financial Strength Management Behavior	+0.56
	Growth	→ Earnings Surprise Recommendation Change	+0.24
	Technical	→ Institutional Investor Crowding Smart Reversal	+0.09
Peer	Proprietary Networks	→ Momentum Fundamentals	+0.73
Macro	Country	→ Corruption Adjusted Valuation Macro Environment	-0.06
	Industry	→ Quality Global Growth Sensitivity	+0.44
	Country/Industry Intersection	→ Price Momentum Adjusted Valuation	+0.07

**Total Forecast**  
**+2.54%**

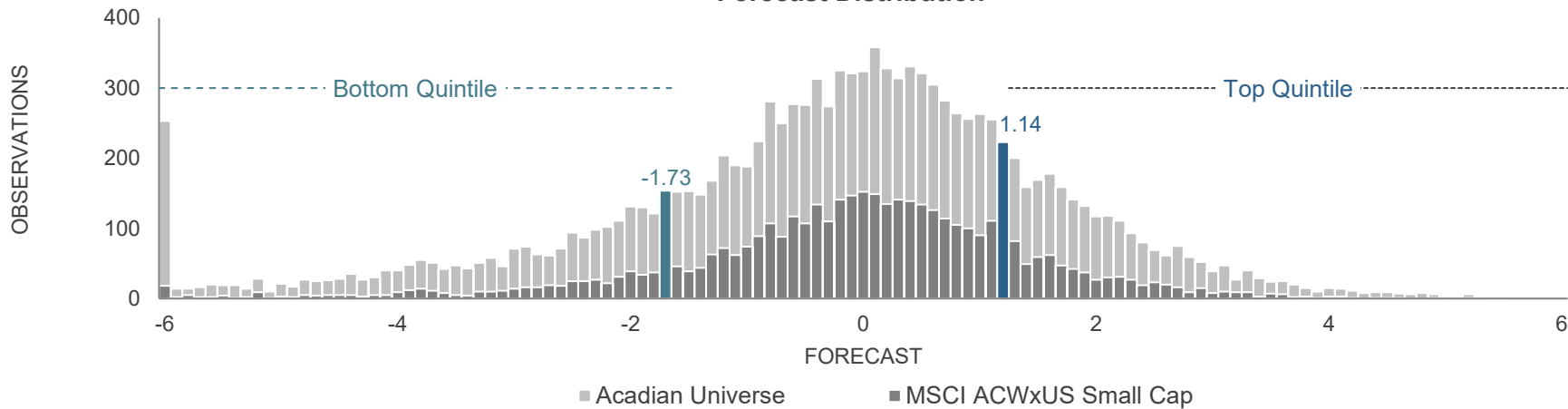
**Company:** CRITEO SA  
**Market Cap:** USD 2B  
**Country:** France  
**Industry:** Media & Entertainment  
**Description:** Specializing in digital performance marketing

Source: Acadian Asset Management LLC. The information provided is for illustrative purposes only based on proprietary models. There can be no assurance that the forecasts will be achieved. The selected stock is intended to be an example of the process and is not a recommendation to buy or sell this specific security.

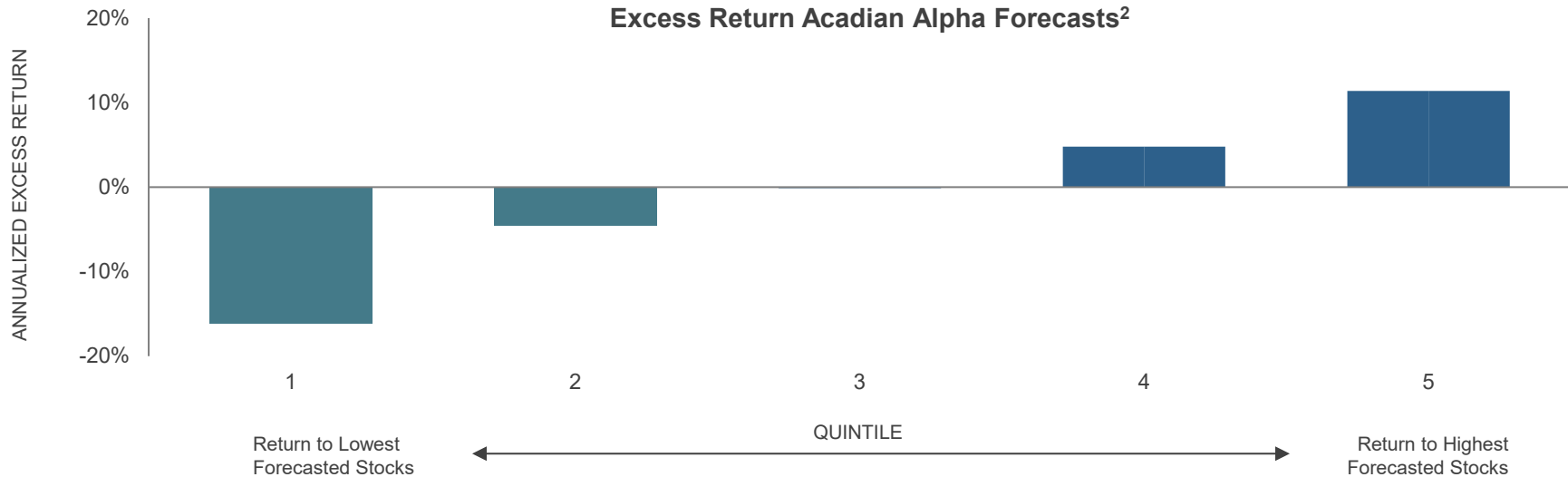
# Stock Forecast Distribution and Returns

Trailing 10 Years as of December 2024

**Forecast Distribution<sup>1</sup>**



**Excess Return Acadian Alpha Forecasts<sup>2</sup>**



Source: Acadian Asset Management LLC. For illustrative purposes only

<sup>1</sup>Source: Acadian's All-Country World ex-U.S. Small-Cap universe with a market cap between \$100M – \$500M. Methodology: Observations represents the number of forecasts. The highlighted values represent the observations in the top and bottom quintiles. The information is not reflective of a particular time period and is provided for illustrative purposes only. The chart depicts our forecast distribution process based on proprietary models. There can be no assurance that the forecasts will be achieved.

<sup>2</sup>This is not intended to represent investment returns generated by an actual portfolio. They do not represent actual trading or an actual account but were achieved by means of using Acadian's All-Country World ex-U.S. Small-Cap universe of securities for the period specified above. Results do not reflect transaction costs or other implementation costs. Past performance is no guarantee of future results. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# Risk Management and Portfolio Construction

All-Country World ex-U.S. Small-Cap Equity

<b>Active risk</b>	4% - 6% tracking error
<b>Market risk</b>	Beta, volatility & size constrained relative to market
<b>Security risk</b>	Up to 2.25% active weight
<b>Country/Industry/Currency risk</b>	Risk aware, active bounds
<b>Factor crowding</b>	Mitigate factor crowding through Dynamic Factor Weighting
<b>Human oversight</b>	Portfolio review, discretionary risk management

The background of the image is a complex, abstract network of thin, light blue lines connecting numerous small, dark blue circular nodes. The nodes are distributed across the entire frame, with some areas showing higher density of connections, particularly towards the right side. The overall effect is a sense of interconnectedness and dynamic flow.

**STRATEGY**

# Strategy Overview

## All-Country World ex-U.S. Small-Cap Equity

<b>Style</b>	Small-Cap
<b>Process</b>	Systematic stock selection, 100+ proprietary signals
<b>Universe</b>	34,500 securities
<b>Benchmark</b>	MSCI All-Country World ex-U.S. Small-Cap
<b>Excess Return Target</b>	2% - 3% (net of fees)
<b>Active Risk Target</b>	4% - 6%
<b>Turnover</b>	60% - 70%



# All-Country World ex-U.S. Small-Cap Equity

Key Characteristics – September 30, 2025\*

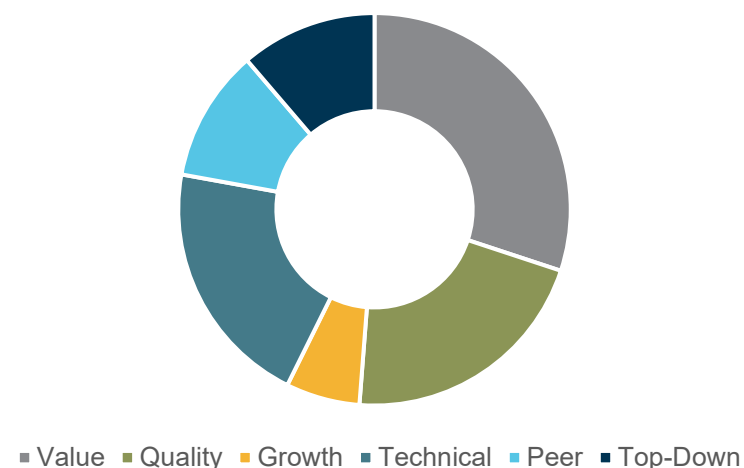
Fundamentals	Portfolio	Benchmark
Price/Earnings	13.8	20.5
Price/Book Value	1.3	1.5
ROE (%)	7.8	5.5
EPS Growth (%)	14.6	11.7
Debt/Equity (%)	56.6	66.8
Dividend Yield (%)	3.1	2.6

Positioning	Portfolio	Benchmark
Asset-weighted Market Cap. (\$B)	3.1	3.6
Total Securities (#)	1,719	4,137
Non-benchmark Holdings (%)	18	NA
Active Share (%)	78.1	NA

Portfolio-to-Benchmark Fundamental Ratios



Portfolio Alpha Themes



**Portfolio:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

\*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity

Regional Allocations – September 30, 2025\*

	Portfolio	Benchmark	Difference
<b>Continental Europe</b>	<b>22.0%</b>	<b>20.0%</b>	<b>2.0%</b>
Austria	0.8	0.8	0.0
Belgium	0.3	1.0	-0.7
Denmark	1.2	1.2	0.0
Finland	0.7	0.7	0.0
France	2.1	2.1	0.0
Germany	2.1	2.6	-0.5
Ireland	0.0	0.2	-0.1
Italy	4.0	2.1	1.9
Netherlands	1.1	0.8	0.2
Norway	1.4	1.3	0.1
Portugal	0.4	0.1	0.3
Spain	1.5	0.9	0.6
Sweden	2.6	3.2	-0.6
Switzerland	3.8	2.8	1.0
<b>United Kingdom</b>	<b>4.8%</b>	<b>8.3%</b>	<b>-3.5%</b>
<b>Australia/New Zealand</b>	<b>6.3%</b>	<b>7.1%</b>	<b>-0.8%</b>
Australia	5.9	6.8	-0.9
New Zealand	0.4	0.3	0.1
<b>Hong Kong/Singapore</b>	<b>1.7%</b>	<b>2.5%</b>	<b>-0.8%</b>
Hong Kong	0.4	1.1	-0.7
Singapore	1.3	1.3	0.0
<b>Japan</b>	<b>20.4%</b>	<b>23.0%</b>	<b>-2.6%</b>
<b>North America</b>	<b>7.6%</b>	<b>7.0%</b>	<b>0.5%</b>
Canada	7.6	7.0	0.5
<b>Middle East</b>	<b>2.4%</b>	<b>2.4%</b>	<b>0.1%</b>
Israel	2.4	2.4	0.1
<b>Emerging Markets</b>	<b>34.0%</b>	<b>29.7%</b>	<b>4.3%</b>
<b>Cash</b>	<b>0.8</b>		



**Portfolio:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

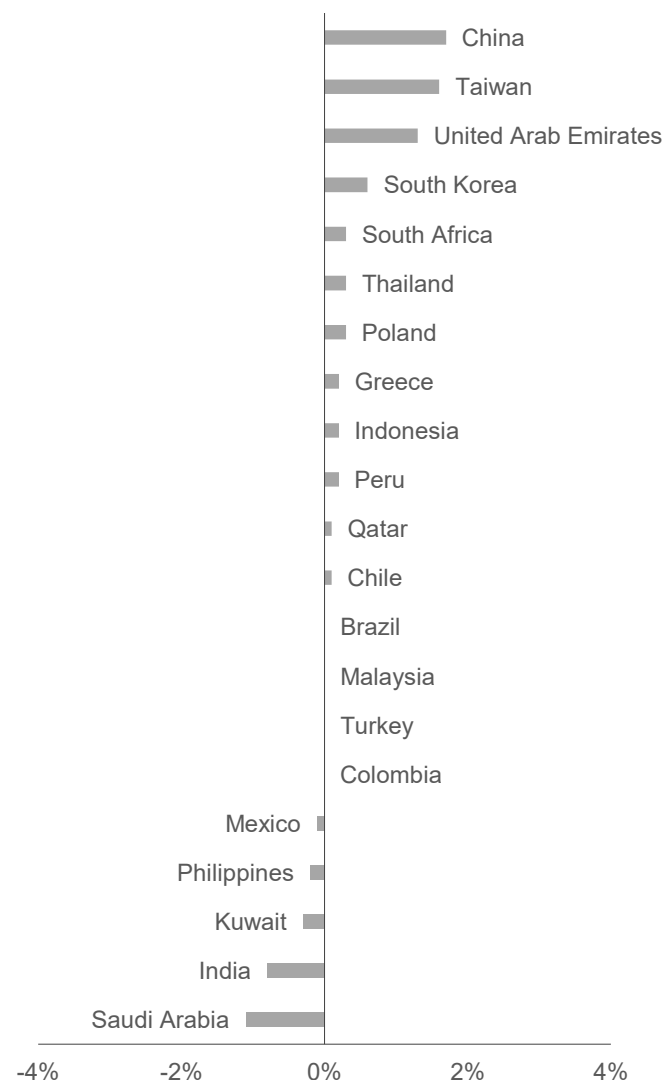
\*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity

Emerging Markets Allocations – September 30, 2025\*

	Portfolio	Benchmark	Difference
<b>Europe/Mid East/Africa</b>	<b>5.3%</b>	<b>4.6%</b>	<b>0.7%</b>
Czech Republic	0.0	0.0	0.0
Egypt	0.0	0.0	0.0
Greece	0.5	0.2	0.2
Hungary	0.0	0.0	0.0
Kuwait	0.0	0.3	-0.3
Poland	0.7	0.5	0.3
Qatar	0.3	0.2	0.1
Saudi Arabia	0.0	1.1	-1.1
South Africa	1.5	1.2	0.3
Turkey	0.6	0.6	0.0
United Arab Emirates	1.7	0.4	1.3
<b>Latin America</b>	<b>2.2%</b>	<b>2.0%</b>	<b>0.2%</b>
Brazil	1.3	1.2	0.0
Chile	0.3	0.2	0.1
Colombia	0.0	0.1	0.0
Mexico	0.4	0.4	-0.1
Peru	0.2	0.0	0.2
<b>Asia</b>	<b>26.5%</b>	<b>23.1%</b>	<b>3.4%</b>
China	5.4	3.8	1.7
India	6.5	7.3	-0.8
Indonesia	0.8	0.6	0.2
Malaysia	0.8	0.8	0.0
Philippines	0.1	0.2	-0.2
South Korea	4.5	3.8	0.6
Taiwan	7.4	5.8	1.6
Thailand	1.0	0.7	0.3

% Underweight/Overweight



**Portfolio:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

\*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity

Industry Allocations – September 30, 2025\*

	Portfolio	Benchmark	Difference
<b>Communication Services</b>	<b>6.6%</b>	<b>4.0%</b>	<b>2.6%</b>
Media & Entertainment	5.5	2.6	2.8
Telecommunication Services	1.1	1.4	-0.3
<b>Consumer Discretionary</b>	<b>12.0%</b>	<b>11.6%</b>	<b>0.4%</b>
Automobiles & Components	2.3	2.4	-0.1
Consumer Discretionary Distribution & Retail	4.1	3.2	0.9
Consumer Durables & Apparel	3.3	3.4	-0.1
Consumer Services	2.2	2.6	-0.4
<b>Consumer Staples</b>	<b>3.9%</b>	<b>5.3%</b>	<b>-1.5%</b>
Consumer Staples Distribution & Retail	0.7	1.4	-0.7
Food, Beverage & Tobacco	2.2	3.2	-1.0
Household & Personal Products	0.9	0.6	0.3
<b>Energy</b>	<b>3.6%</b>	<b>3.7%</b>	<b>-0.1%</b>
<b>Financials</b>	<b>14.9%</b>	<b>12.0%</b>	<b>3.0%</b>
Banks	4.6	4.1	0.5
Financial Services	8.9	6.0	2.9
Insurance	1.4	1.9	-0.5
<b>Health Care</b>	<b>6.3%</b>	<b>6.9%</b>	<b>-0.7%</b>
Health Care Equipment & Services	2.0	2.9	-0.9
Pharmaceuticals, Biotechnology & Life Sciences	4.3	4.0	0.2
<b>Industrials</b>	<b>21.3%</b>	<b>20.4%</b>	<b>1.0%</b>
Capital Goods	14.5	14.2	0.3
Commercial & Professional Services	4.0	2.8	1.2
Transportation	2.8	3.3	-0.5
<b>Information Technology</b>	<b>14.5%</b>	<b>11.1%</b>	<b>3.4%</b>
Semiconductors & Semiconductor Equipment	4.6	3.2	1.4
Software & Services	4.6	3.2	1.4
Technology Hardware & Equipment	5.3	4.8	0.6
<b>Materials</b>	<b>9.6%</b>	<b>12.6%</b>	<b>-3.0%</b>
<b>Real Estate</b>	<b>3.7%</b>	<b>9.4%</b>	<b>-5.7%</b>
Equity Real Estate Investment Trusts (REITs)	1.8	5.6	-3.8
Real Estate Management	1.9	3.8	-1.9
<b>Utilities</b>	<b>2.9%</b>	<b>3.0%</b>	<b>-0.1%</b>
<b>Cash</b>	<b>0.8</b>		



**Portfolio:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

\*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity

Largest Overweights – September 30, 2025\*

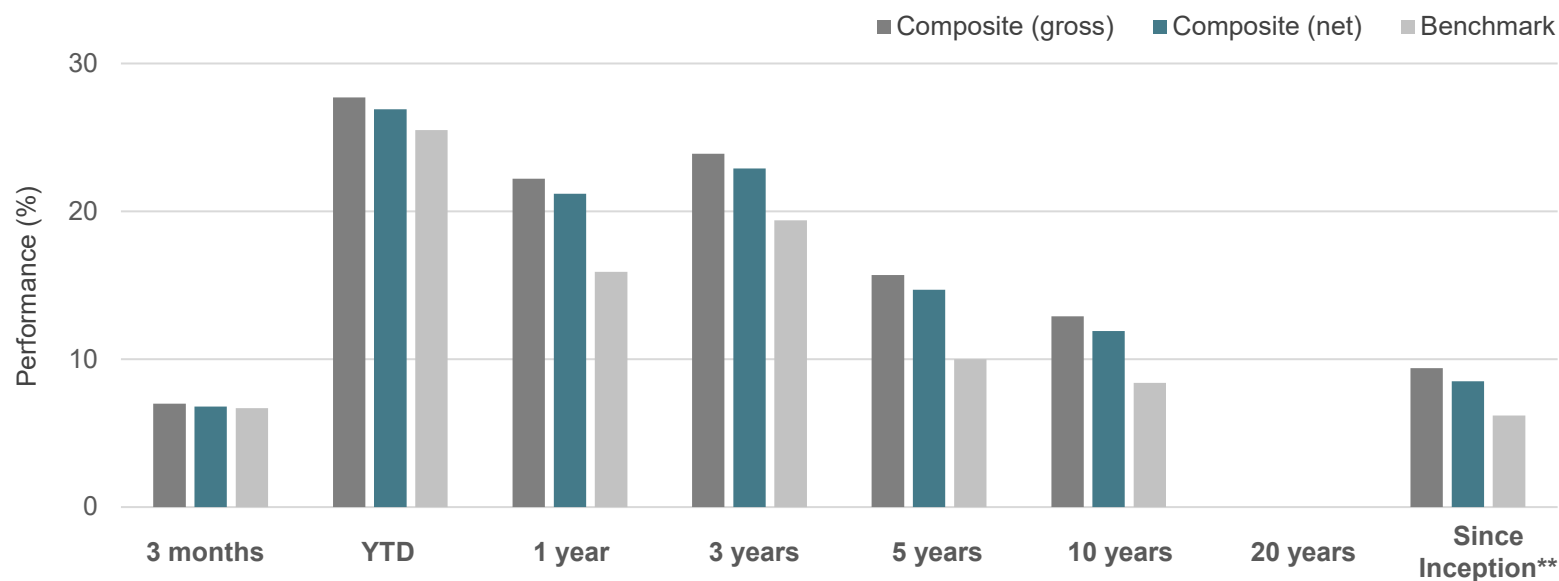
Holding	Industry	Country	Market Cap. (\$M)	Portfolio Weight (%)	Active Weight (%)	Proprietary Signal Themes					
						Value	Quality	Growth	Technical	Top Down	Peer
SWISSQUOTE GROUP HOLDING SA	Financial Services	Switzerland	10,702	1.2	1.1						
PERSEUS MINING LTD	Materials	Australia	4,388	1.1	1.0						
A2A SPA	Utilities	Italy	8,198	0.8	0.7						
XD INC	Media & Entertainment	China	5,168	0.8	0.7						
SANKYO CO LTD	Consumer Durables & App	Japan	4,527	0.8	0.7						
ACCELLERON INDUSTRIES AG	Capital Goods	Switzerland	7,952	0.8	0.7						
PLUS500 LTD	Financial Services	United Kingdom	3,041	0.7	0.7						
WEIBO CORP	Media & Entertainment	China	3,036	0.6	0.6						
IVECO GROUP NV	Capital Goods	Italy	5,849	0.7	0.6						
UNICAJA BANCO SA	Banks	Spain	7,040	0.6	0.6						
Total Portfolio Weight				8.3%		Contribution to Stock Forecast					
						-					+

**Portfolio:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

\*Preliminary. Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell individual securities. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity Composite

Trailing Period Performance (Returns in USD) – September 30, 2025\*



Composite (% gross)	7.0	27.7	22.2	23.9	15.7	12.9	--	9.4
Composite (% net)	6.8	26.9	21.2	22.9	14.7	11.9	--	8.5
Benchmark (%)	6.7	25.5	15.9	19.4	10.0	8.4	--	6.2
Value added (% gross)	0.3	2.2	6.3	4.5	5.7	4.5	--	3.2

\*\* (Inception: Jul 1, 2008)

Active Risk (%) 3.6

Information Ratio 0.9

**Composite:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap (net).

\*Before and After Management Fees. All periods of 1 year or longer reflect annualized performance. Statistics are calculated gross of fees. Returns that include the most recent month are preliminary. Since-Inception performance data reflects an inception date of July 1, 2008. The composite inceptioned on February 1, 2005, however for the period from April 1, 2006, through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

# All-Country World ex-U.S. Small-Cap Equity Composite

Calendar Year Performance (Returns in USD) – September 30, 2025\*

Year	Composite (gross)	Composite (net)	Benchmark	Value-Added (gross)
2008**	-49.1%	-49.4%	-43.2%	-5.9%
2009	62.4	61.1	62.9	-0.5
2010	29.6	28.6	25.2	4.4
2011	-14.3	-15.1	-18.5	4.2
2012	25.6	24.5	18.5	7.1
2013	25.9	24.9	19.7	6.2
2014	-1.0	-1.9	-4.0	3.0
2015	3.1	2.3	2.6	0.5
2016	9.3	8.4	3.9	5.4
2017	39.0	37.8	31.6	7.4
2018	-17.8	-18.5	-18.2	0.4
2019	21.5	20.4	22.4	-0.9
2020	18.7	17.7	14.2	4.5
2021	23.5	22.5	12.9	10.6
2022	-14.5	-15.2	-20.0	5.5
2023	16.7	15.7	15.7	1.0
2024	12.7	11.8	3.4	9.3
2025 through September	27.7	26.9	25.5	2.2

\*\* (Inception: Jul 1, 2008)

**Composite:** All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap (net).

\*Before and After Management Fees. Returns that include the most recent month are preliminary. Since-Inception performance data reflects an inception date of July 1, 2008. The composite inceptioned on February 1, 2005, however for the period from April 1, 2006, through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

The background of the slide is a complex, abstract network of thin, light blue lines connecting numerous small, semi-transparent blue dots. The dots are scattered across the entire frame, with some appearing as larger, more prominent nodes. The lines form a dense, interconnected web that fills the background, creating a sense of global connectivity and data flow.

# SUPPORTING EXHIBITS



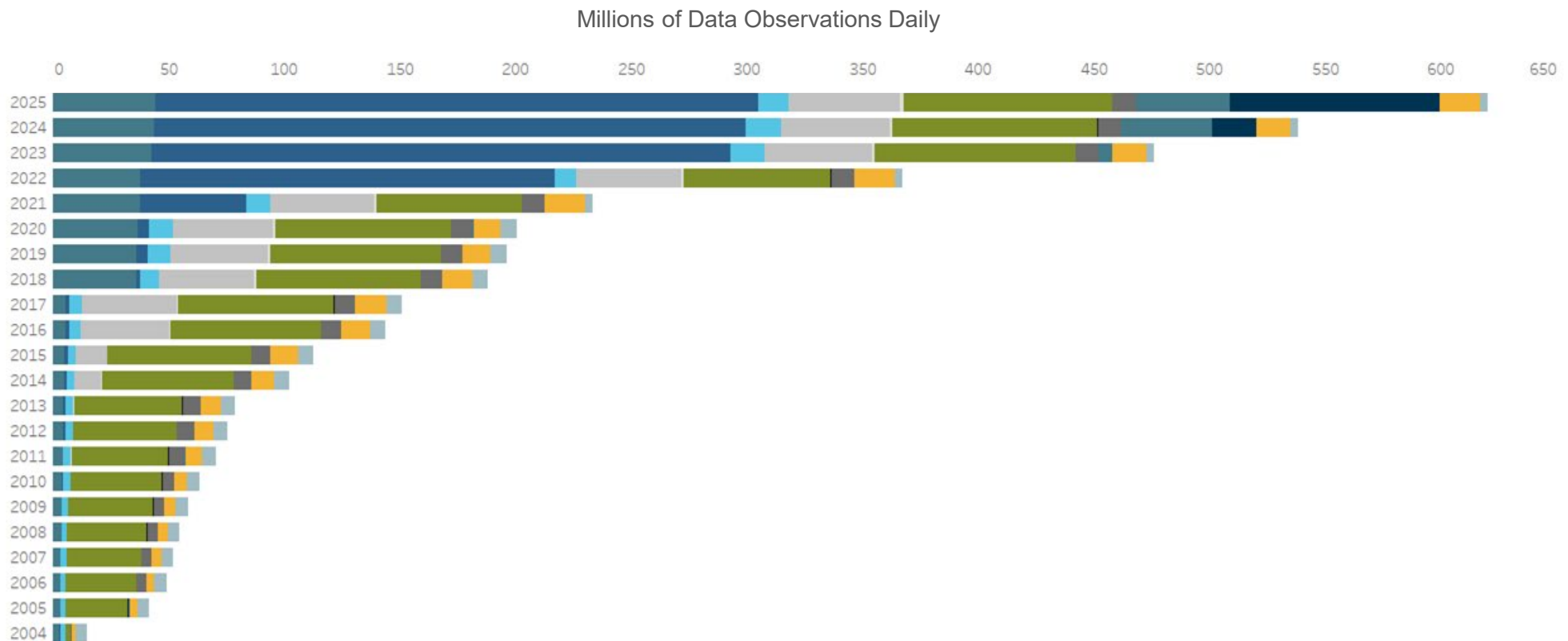
# Global Data

44,000 COMPANIES  
100 COUNTRIES

620 MILLION DAILY  
OBSERVATIONS

61 TERABYTE  
DATABASE

Daily data from over 40 sources including regulatory authorities, company websites, media sources, and industry trade organizations not available in standard vendor offerings:





# BIOGRAPHIES

# Investment Team

## **Brendan Bradley, Ph.D. – Executive Vice President, Chief Investment Officer**

- 27 years of investment experience
- Member of the Acadian Board of Managers, Executive Management Team, Executive Committee, Responsible Investing Committee
- Ph.D. in applied mathematics from Boston University
- B.A. in physics from Boston College

## **Alexandre Voitenok – Executive Vice President, Deputy Chief Investment Officer**

- 24 years of investment experience
- Member of Acadian's Executive Committee and Executive Management Team
- M.Sc. in software engineering from Minsk Radio Engineering Institute

## **Malcolm Baker, Ph.D. – Director, Research**

- 23 years of investment experience
- Research consultant since 2006
- Robert G. Kirby Professor of Finance, Harvard Business School
- Ph.D. from Harvard University
- M.Phil. From Cambridge University
- B.A. from Brown University

## **Andy Moniz Ph.D., CFA – Senior Vice President, Director of Responsible Investing**

### **Acadian Asset Management (U.K.) Limited**

- 25 years of professional experience
- Ph.D. in natural language processing and information retrieval from Erasmus University
- MSc. in applied statistics from the University of London
- M.A. in economics from Cambridge University
- B.A. in economics from Cambridge University
- CFA charterholder and member of CFA Society U.K.

## **Ryan Taliaferro, Ph.D. – Senior Vice President, Director, Investment Strategies**

- 23 years of professional experience
- Member of Acadian's Executive Committee
- Ph.D. in business economics (finance) from Harvard University
- M.B.A. in finance and economics from the University of Chicago
- A.M. in economics from Harvard University
- A.M. and A.B. in physics from Harvard University

## **Fanesca Young, Ph.D., CFA – Senior Vice President, Director, Equity Portfolio Management**

- 20 years of professional experience
- Ph.D. in statistics from Columbia University
- M.Phil. in statistics from Columbia University
- M.A. in statistics from Columbia University
- B.A. in mathematics from the University of Virginia
- CFA charterholder

## **Vladimir Zdorovtsov, Ph.D. – Senior Vice President, Director, Global Equity Research**

- 23 years of investment experience
- Member of the Acadian Executive Committee
- Ph.D. in finance from University of South Carolina
- M.B.A. from University of Arkansas
- B.A. in international economics from Sumy University, Ukraine

## **Francis Seah, CFA – Senior Vice President, Portfolio Manager and Managing Director, Acadian Singapore**

### **Acadian Asset Management (Singapore) Pte Ltd**

- 21 years of investment experience
- B.S. and M.S. from Nanyang Technological University
- CPA, Institute of Certified Public Accountants Singapore
- CFA charterholder and a member of CFA Singapore
- Computational Finance Certificate from Carnegie Mellon University

## **Mark Birmingham, CFA – Senior Vice President, Head of Risk Modeling, Portfolio Manager**

- 30 years of investment experience
- A.B. in computer science from Princeton University
- CFA charterholder and member of CFA Society Boston

## **Doug Eisenstein – Senior Vice President, Head of Investment Data Solutions**

- 25 years of professional experience
- Studied computer science at Suffolk University

## **Joel Feinberg – Senior Vice President, Head of Trading**

- 19 years of investment experience
- MSIM from Boston University
- B.B.A. in finance from the University of Massachusetts

## **Alexander Galakatos, Ph.D. – Senior Vice President, Head of Investment Data Engineering**

- 6 years of professional experience
- Ph.D. in computer science from Brown University
- ScM in computer science from Brown University
- B.Sc. in computer engineering from Lehigh University

# Investment Team

## **Adoito Haroon– Senior Vice President, Head of Implementation Research**

- 18 years of professional experience
- Masters in Finance from Princeton University
- M.B.A. from New York University
- B.S. in computer science from Brown University

## **Anton Kapliy, Ph.D., CFA – Senior Vice President, Head of Portfolio Analytics**

- 11 years of professional experience
- Ph.D. in high energy physics from University of Chicago
- B.A. in physics from University of Pennsylvania
- CFA charterholder and a member of CFA Society Boston

## **David Meadows – Senior Vice President, Head of Data Implementation Engineering**

- 16 years of professional experience
- B.Sc. in computer science from Newcastle University

## **Jian Pan, CFA – Senior Vice President, Head of Quantitative Systems**

- 31 years of professional experience
- M.S. in computer science from the University of Massachusetts
- B.S. industrial automation control from Nanjing University of Technology, China

## **Michael McCart, CFA – Senior Vice President, Investment Systems Architect**

- 27 years of investment experience
- B.S. in engineering and economics, University of Pennsylvania
- CFA charterholder and a member of CFA Society Boston

## **Javier Alcazar, Ph.D. – Senior Vice President, Portfolio Manager, Research Acadian Asset Management (U.K.) Limited**

- 23 years of professional experience
- Ph.D. in mechanical engineering from the Universidad Pontificia Comillas, ICAI, Spain
- M.Sc. in advanced mathematics and theoretical Physics from the University of Cambridge
- M.Sc. in aeronautical engineering from the Universidad Politecnica de Madrid, Spain
- M.Sc. in parallel computing from Imperial College London
- B.Sc. in theoretical physics from Universidad Complutense de Ciencias Fisicas, Spain

## **Daniel Adamson – Senior Vice President, Portfolio Manager, Implementation**

- 22 years of professional experience
- M.B.A. from Boston College
- B.A. in accountancy and management information systems from Miami University

## **Giuliano Amantini, Ph.D. – Senior Vice President, Portfolio Manager, Implementation**

- 20 years of professional experience
- Ph.D. in engineering and applied sciences from Yale University
- M.S. in mathematical finance from Bocconi University
- M.S. in mechanical engineering from Yale University
- M.S. in aerospace engineering from La Sapienza University
- B.S. in mechanical engineering from Tor Vergata University

## **Pavel Bandarchuk, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research**

- 18 years of investment experience
- Ph.D. in international economics and finance from Brandeis University
- M.S. in finance from Brandeis University
- Diploma in international economics from Belarusian State University
- Certified FRM and CFA charterholder

## **Scott Brymer, CFA – Senior Vice President, Portfolio Manager**

- 27 years of professional experience
- B.B.A. in finance from the University of Massachusetts Amherst
- CFA charterholder and a member of CFA Society Boston

## **Zhe Chen, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research**

### **Acadian Asset Management (Australia) Limited**

- 16 years of professional experience
- Ph.D. in empirical finance from Macquarie University
- Bachelor of Engineering (bioinformatics), First Class Honours and University Medal, from the University of New South Wales
- Bachelor of Commerce (finance) from UNSW
- CFA charterholder

## **Chris Covington, CFA – Senior Vice President, Portfolio Manager**

- 18 years of professional experience
- M.S. in investment management from Boston University
- B.A. in mathematical economics from Colorado College
- CFA charterholder

## **Thomas Dobler, Ph.D. – Senior Vice President, Portfolio Manager**

- 29 years of investment experience
- Ph.D. in mathematics from Columbia University
- M.S. in mathematics from University of Illinois
- B.S. in mathematics from University of Vienna, Austria

# Investment Team

## **Timothy Ellerton, CFA – Senior Vice President, Portfolio Manager Acadian Asset Management (U.K.) Limited**

- 25 years of professional experience
- M.Sc. in mathematical trading & finance from the Bayes Business School at City University
- B.A. in law & society from the University of Exeter
- CFA charterholder and member of CFA Society U.K

## **Denys Glushkov, Ph.D. – Senior Vice President, Portfolio Manager, Research**

- 19 years of professional experience
- Ph.D. in finance, University of Texas at Austin
- M.S. in economic cybernetics, Dnipropetrovsk State University (Ukraine)
- M.A. in economics, Central European University (Hungary)

## **Katrina Khoupongsy, CFA – Senior Vice President, Portfolio Manager, Research**

### **Acadian Asset Management (Australia) Limited**

- 31 years of professional experience
- Bachelor in mathematics and finance (Hons) from the University of Technology, Sydney
- Graduate Diploma in applied finance and investments from the Securities Institute of Australia
- CFA charterholder

## **Owen Lamont, Ph.D. – Senior Vice President, Portfolio Manager, Research**

- 37 years of professional experience
- Ph.D. in economics from the Massachusetts Institute of Technology
- B.A. in economics from Oberlin College

## **Devin Nial – Senior Vice President, Portfolio Manager, ESG**

- 20 years of professional experience
- M.S. in finance from Boston College
- M.A. in computer science from Boston University
- B.A. in English literature from SUNY Albany

## **Brendan O’Leary, CFA – Senior Vice President, Portfolio Manager, Research**

- 12 years of professional experience
- B.S.E. in mechanical & aerospace engineering from Princeton University
- CFA charterholder

## **Dmitry Olevsky, CFA – Senior Vice President, Portfolio Manager, Research**

- 23 years of investment experience
- M.B.A. from Harvard Business School
- B.S. in structural engineering from Michigan Technological University
- FRM designation and CFA charterholder

## **Matthew Picone, CFA – Senior Vice President, Portfolio Manager Acadian Asset Management (Australia) Limited**

- 21 years of professional experience
- Member of Acadian's Responsible Investing Committee
- Bachelor of Commerce in finance and econometrics from the University of Sydney
- CFA charterholder
- Member of the PRI Australian Advisory Committee

## **Lukasz Pomorski, Ph.D. – Senior Vice President, Portfolio Manager**

- 19 years of professional experience
- Ph.D. in finance from the University of Chicago
- M.A. in finance from Tilburg University
- M.A. and B.A. in economics from the Warsaw School of Economics

## **Mark Roemer – Senior Vice President, Portfolio Manager**

- 29 years of professional experience
- M.S. in finance from London Business School
- M.S. in engineering from Stanford University
- B.S. in mechanical engineering from Virginia Polytechnic Institute & State University

## **Bin Shi, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research**

- 19 years of investment experience
- Ph.D. in industrial and systems engineering from Georgia Institute of Technology
- M.S. in operations research from Georgia Institute of Technology
- B.S. in mechanical engineering from Southeast University, China
- CFA charterholder

## **Olivia Tang, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research**

- 15 years of professional experience
- Ph.D. in systems engineering, with a concentration in operations research, from Boston University
- B.S. in mathematics from Peking University (China)
- CFA charterholder

## **Rob Ricciarelli, CFA – Senior Vice President, Lead Analyst, IPD**

- 29 years of professional experience
- M.B.A from Suffolk University
- B.S. in management and B.A. in psychology from the University of Massachusetts, Boston
- CFA charterholder

## **Jeffrey Sutthoff, CFA – Senior Vice President, Lead Analyst, Integration**

- 30 years of professional experience
- M.B.A. in finance from Boston College
- B.S. in mathematics from Stetson University
- CFA charterholder

# Investment Team

## **Mark Weissman – Senior Vice President, Lead Analyst, Research**

- 19 years of investment experience
- B.S. in computer science, SUNY at Buffalo
- B.S. in chemical engineering from SUNY at Buffalo

## **Xiaoting Zhang, CFA, FRM – Senior Vice President, Lead Analyst, Integration**

- 21 years of investment experience
- M.B.A. from the University of Chicago
- M.S. in financial mathematics from the University of Chicago
- M.S. in computer science from Loyola University Chicago
- B.A. in architecture from Tianjin University, China
- Certified FRM and CFA charterholder

## **Deborah Waters – Senior Vice President, Senior Trader, Implementation**

- 35 of years of professional experience
- B.S. in finance from Northeastern University

## **Tom Bilbe – Vice President, Portfolio Manager**

### **Acadian Asset Management (U.K.) Limited**

- 13 years of professional experience
- MSc in finance and investment from the University of Edinburgh Business School
- BEng in mechanical engineering with management from the University of Edinburgh

## **Stephen Fang – Vice President, Portfolio Manager, Research**

- 8 years of investment experience
- M.S. in computational science and engineering from Harvard University
- B.A. in mathematics and economics from Middlebury College

## **Sean Geary, CFA – Vice President, Portfolio Manager**

- 17 years of professional experience
- M.B.A. from Boston College
- M.S. in mechanical engineering from Boston University
- B.S. in physics from James Madison University
- CFA charterholder and member of CFA Society Boston

## **Charles Johnson – Vice President, Portfolio Manager**

- 23 years of professional experience
- M.S. in finance from Northeastern University
- M.B.A. from Northeastern University
- B.S. in finance from the University of Massachusetts at Dartmouth

## **John King – Vice President, Portfolio Manager**

- 24 years of professional experience
- Associate's degree in computer technology from Southern Maine Community College
- B.S. in analytics from Northeastern University

## **Ken Masse, CFA – Vice President, Portfolio Manager**

- 33 years of investment experience
- M.S. in finance from Boston College Carroll School of Management
- B.S. in finance from Bentley University
- CFA charterholder

## **Kyle McCarthy, CFA – Vice President, Portfolio Manager, Implementation**

- 19 years of professional experience
- B.S. in finance from Bentley University
- CFA charterholder and member of CFA Society Boston

## **Louis Seng – Vice President, Portfolio Manager, Implementation**

### **Acadian Asset Management (Singapore) Pte Ltd**

- 16 years of investment experience
- B.B.M in finance from Singapore Management University

## **James Toppa, CFA, CAIA –Vice President, Portfolio Manager, Portfolio Solutions**

- 17 years of professional experience
- B.S. in business administration from Bryant University
- CAIA charterholder
- CFA charterholder

## **Linda Wang – Vice President, Portfolio Manager, Research**

- 12 years of investment experience
- Master of Finance from MIT's Sloan School of Management
- B.S. in finance and accounting from Drexel University
- Certified FRM

## **Steven Wong – Vice President, Portfolio Manager, Research**

### **Acadian Asset Management (Australia) Limited**

- 14 years of professional experience
- Ph.D. in statistics from the University of Sydney
- Master of Finance from the University of New South Wales
- Bachelor of Commerce and Bachelor of Engineering (Hons, University Medal) from the University of New South Wales

## **Xunqi (Richie) Yu, CFA – Vice President, Portfolio Manager**

- 17 years of professional experience
- Ph.D. in electrical and computer engineering from the University of Miami
- M.S. in computational finance from Carnegie Mellon University, Tepper School of Business
- B.S. in information engineering from Wuhan University, School of Remote Sensing and Information Engineering
- CFA charterholder



# Investment Team

**Wesley Jeng, CFA – Vice President, Associate Portfolio Manager, Implementation**

**Acadian Asset Management (Australia) Limited**

- 12 years of investment experience
- Dual Master's Degree from UT Austin and ESCP Europe
- BA (Hons) from University of Nottingham
- CFA charterholder

**Jeffrey Lobdell, CMT – Vice President, Associate Portfolio Manager, Implementation**

- 17 years of professional experience
- M.B.A. in finance from the University of Massachusetts
- B.A. in communications from the University of Massachusetts
- CMT charterholder

**Anna Papush, Ph.D. – Vice President, Associate Portfolio Manager**

- 11 years of professional experience
- Ph.D. in operations research from Massachusetts Institute of Technology
- B.A. in mathematics from Cornell University

**Alexander Rikun – Vice President, Associate Portfolio Manager, Research**

- 15 years of professional experience
- Ph.D. in operations research from Massachusetts Institute of Technology
- B.S. in applied mathematics with a minor in economics from Columbia University

**Vincent Tang, CFA – Vice President, Associate Portfolio Manager, Research**

- 8 years of investment experience
- M. Eng. in financial engineering from Cornell University
- B. Econ in finance, with a minor in computer science, from Wuhan University
- CFA Charterholder

**James Coder, CFA – Vice President, Lead Analyst, Investment Data Engineering**

- 12 years of investment experience
- B.S. in finance from the University of Kansas
- CFA charterholder

**Bhaskar Edara, CFA, FRM – Vice President, Lead Analyst, Implementation**

- 30 years of professional experience
- M.S. in finance from Boston College
- B.Tech. in mechanical engineering from the National Institute of Technology, India
- Certified FRM and CFA charterholder

**Lucas Manley, CFA – Vice President, Lead Analyst, Implementation**

- 21 years of investment experience
- M.S. in investment management from Boston University
- B.S. in business administration from Northeastern University
- CFA charterholder and a member of CFA Society Boston

**Bernard Sim – Vice President, Lead Analyst, IPD  
Acadian Asset Management (Singapore) Pte Ltd**

- 24 years of professional experience
- Bachelor of Commerce in finance from the Australia National University

**Michael Szrom, CFA – Vice President, Lead Analyst, Implementation**

- 8 years of professional experience
- B.S. in computer science and computer engineering from Northeastern University
- CFA charterholder

**Michael Vashevko – Vice President, Lead Analyst, Implementation**

- 29 years of professional experience
- M.S. in applied mathematics and computer science from Belarusian State University

**Yu (Richard) Wang, CFA, FRM – Vice President, Lead Analyst, Integration**

- 20 years of professional experience
- M.B.A. from the University of Chicago Booth
- M.S. in computer science from Cornell University
- B.S. in computer science from National University of Singapore
- FRM and CFA charterholder

**Shin Zhao, CFA – Vice President, Lead Analyst, Integration**

- 22 years of professional experience
- M.S. in electrical and computer engineering from the University of Massachusetts
- B.S. in physics from the University of Science and Technology of China
- CFA charterholder

**Chong Chen – Vice President, Senior Analyst, Integration**

- 10 years of professional experience
- M.A. in mathematics of finance from Columbia University
- M.S. in economics from Shanghai Jiao Tong University
- B.S. in finance and mathematics from Wuhan University

**Rei Cheong, CFA – Vice President, Senior Analyst, IPD  
Acadian Asset Management (Singapore) Pte Ltd**

- 21 years of professional experience
- MSc in computer science from Georgia Institute of Technology
- Masters in Business Administration from the Singapore Management University
- Graduate Diploma in Financial Management from the Singapore Institute of Management
- Bachelor of Electrical Engineering from the National University of Singapore
- CFA charterholder

**Soichi Hayashi – Vice President, Senior Analyst, Implementation**

- 24 years of professional experience
- B.S. in computer science and physics from Henderson State University

# Investment Team

## **Shi He – Vice President, Senior Analyst, Integration**

- 7 years of professional experience
- M.S. in data science from Worcester Polytechnic Institute
- B.S. in computer science from Hubei University of Police, China

## **Michael Kelsey – Vice President, Senior Analyst, Implementation**

- 23 years of professional experience
- M.B.A. from Northeastern University
- B.S. from Babson College

## **Anthony King – Vice President, Senior Analyst, IPD**

- 25 years of professional experience
- M.S. in computer science from Boston University
- B.S. in management science and information systems from The Pennsylvania State University

## **Anna Lang, CFA – Vice President, Senior Analyst, IPD**

- 13 years of professional experience
- M.B.A. from Boston University
- B.S. in accounting from the International Slavic University
- CFA charterholder and a member of CFA Society Boston

## **Zhenan (Micky) Li, CFA – Vice President, Senior Analyst, IPD**

- 14 years of investment experience
- M.S. in economics from Boston University
- B.S. in international business and trade from ShanDong University of Science & Technology
- B.S. in business management and administration from Cambridge College
- CFA charterholder and member of CFA Society Boston

## **Guy Mann – Vice President, Senior Analyst, Implementation**

- 22 years of professional experience
- B.S. in computer science from Worcester Polytechnic Institute

## **Sean McOwen, CFA, CAIA, FRM – Vice President, Senior Analyst, Implementation**

- 7 years of professional experience
- M.S. in applied mathematics from Columbia University
- M.S. in analytics from Georgia Institute of Technology
- B.S. in finance and economics from Boston College
- Certified FRM and CFA and CAIA charterholder

## **Aashir Naqvi – Vice President, Senior Analyst, Implementation**

- 6 years of professional experience
- B.S. in industrial engineering from Northeastern University

## **Diego Torres Patino, Ph.D. – Vice President, Senior Analyst, Implementation**

- 10 years of investment experience
- Ph.D. in economics from Stanford University
- B.S. degrees in industrial engineering and in economics from Instituto Tecnológico Autonomo de Mexico

## **Sam Rogers – Vice President, Senior Analyst, Integration**

- 8 years of professional experience
- B.A. in economics from The University at Buffalo

## **Alagappan Solaiappan – Vice President, Senior Analyst, Data Engineering**

- 20 years of professional experience
- M.E. in engineering from Anna University
- B.E. in engineering from Madurai Kamaraj University

## **Shikun (George) Xue, CFA – Vice President, Senior Analyst, Integration**

- 16 years of professional experience
- M.A. in finance from Peking University
- B.A. in economics and B.S. in mathematics from Wuhan University
- CFA charterholder

## **Ted Zhang, CFA – Vice President, Senior Analyst**

- 19 years of professional experience
- M.S. in finance from Bentley University
- B.S. accounting from Bentley University
- CFA charterholder and a member of CFA Society Boston

## **Benjamin Hutchens, CAIA – Vice President, Senior Trader, Implementation**

- 18 years of professional experience
- M.S. in investment management from Boston University
- B.A. in international affairs and political science from Northeastern University
- CAIA charterholder

## **Jason Littlefield – Vice President, Senior Trader, Implementation**

- 20 years of professional experience
- M.S. in finance from Northeastern University
- B.S. in business administration, with a dual concentration in accounting and marketing, from Northeastern University

## **Sean Paylor – Vice President, Senior Trader, Implementation**

- 19 years of professional experience
- B.A. in sociology from Princeton University

## **Danny Ly– Vice President, Trader, Implementation**

### **Acadian Asset Management (Singapore) Pte Ltd**

- 9 years of professional experience
- Master of Technology from University of New South Wales
- Bachelor of Commerce from University of New South Wales



# Investment Team

## **Gregory Spyropoulos, CFA – Vice President, Credit Trader, Implementation**

- 22 years of professional experience
- B.S in finance from Bentley University
- CFA charterholder

## **Jianing Duan – Assistant Vice President, Associate Portfolio Manager, Research**

- 7 years of professional experience
- Ph.D. in mathematical finance from Boston University
- MSc in financial mathematics from University of Chicago
- BSc in applied mathematics from Peking University

## **Eric Huang – Assistant Vice President, Associate Portfolio Manager**

- 9 years of professional experience
- B.S. in operations research and financial engineering from Princeton University

## **Jerry Yu, Ph.D., CFA – Assistant Vice President, Associate Portfolio Manager, ESG**

- 5 years of investment experience
- Ph.D. in political science and scientific computing from the University of Michigan
- M.A. in statistics from the University of Michigan
- CFA charterholder and a member of the CFA Society Boston

## **Siddhartha Pant– Assistant Vice President, Senior Analyst, Implementation**

- 5 years of investment experience
- M.Sc. in computer science from Northeastern University
- B.S. in mathematics and business administration from Northeastern University

## **Steven Wang – Assistant Vice President, Senior Analyst**

### **Acadian Asset Management (Australia) Limited**

- 18 years of professional experience
- Bachelor of Engineering (software engineering), First Class Honours, from the University of New South Wales
- Bachelor of Commerce (finance) from the University of New South Wales

## **Rajasekar (Raj) Karuppiiah – Assistant Vice President, Data Engineer**

- 19 years of professional experience
- B.E. in electrical and electronics engineering from Anna University, Chennai, India

## **Siyu Chen – Assistant Vice President, Analyst, IPD**

- 6 years of professional experience
- M.S. in management and finance from Case Western Reserve University
- B.S. in economics from Beihang University

## **Ian Chong, CFA – Assistant Vice President, Analyst, IPD**

### **Acadian Asset Management (Singapore) Pte Ltd**

- 8 years of professional experience
- Master of IT in business (artificial intelligence) from Singapore Management University
- M.S. in applied finance from Singapore Management University
- Specialist diploma in data science (artificial intelligence) from Singapore Polytechnic
- Bachelor of Business and Commerce from Monash University
- CFA charterholder

## **Christian Clay– Assistant Vice President, Analyst, Data Implementation Engineering**

- 2 years of professional experience
- B.S. in computing from East Tennessee State University

## **Jacob Hall – Assistant Vice President, Analyst, IPD**

- 6 years of professional experience
- B.A. in business, entrepreneurship, and organizations from Brown University

## **Bill (Zeqi) Liu – Assistant Vice President, Analyst**

- 1 year of professional experience
- M.Sc. in financial engineering from Columbia University
- B.S. in applied mathematics from Columbia University

## **Shirley Liu – Assistant Vice President, Analyst**

- 9 years of investment experience
- M.S. in finance from MIT
- B.Econ. from Shanghai Jiao Tong University

## **Kunbo Wang – Assistant Vice President, Analyst, Research**

- 4 years of investment experience
- Ph.D. in applied math and statistics from Johns Hopkins University
- M.Sc. in financial mathematics from Johns Hopkins University

## **Yufei Zhang– Assistant Vice President, Analyst, Research**

- 2 years of internship experience
- Ph.D. in financial economics from Brandeis University
- M.S. in statistics from University of Chicago
- B.A. in mathematics from Boston University

The background of the slide is a complex, abstract network diagram. It consists of numerous small, light blue circular nodes connected by thin, light blue lines. The connections form a dense, interconnected web that fills the entire page. Some nodes are slightly larger than others, and the overall structure is non-uniform, with some areas being more densely connected than others. The word "APPENDIX" is centered in the middle of the page, overlaid on this network background.

# APPENDIX

# Annual Performance Disclosure

## All-Country World ex-U.S. Small-Cap Equity Composite

	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Benchmark Return (%)	Dispersion of Returns Within Composite (%)	Three-Year ex-Post Standard Deviation of Absolute Gross Returns		Number of Portfolios in Composite	Assets In Composite (\$MMs)	Total Firm Assets Under Management (\$MMs)
					Composite	Benchmark			
2015	3.1	2.3	2.6	0.7	11.5	11.3	5	437	66,834
2016	9.3	8.4	3.9	0.5	11.7	12.1	5	473	74,174
2017	39.0	37.8	31.6	0.9	11.2	11.5	5	632	96,765
2018	-17.8	-18.5	-18.2	1.2	13.0	12.3	5	482	85,338
2019	21.5	20.4	22.4	2.1	12.8	11.6	5	621	101,232
2020	18.7	17.7	14.2	2.5	19.9	21.0	5	885	107,229
2021	23.5	22.5	12.9	2.1	18.8	19.9	6	1,248	116,160
2022	-14.5	-15.2	-20.0	1.2	21.9	22.7	8	1,201	92,796
2023	16.7	15.7	15.7	2.6	17.5	17.0	8	1,530	102,930
2024	12.7	11.8	3.4	0.9	16.5	16.8	8	2,145	115,836

Performance Inception: February 1, 2005. This composite was created on: March 1, 2014. All figures stated in USD.

For the period from April 1, 2006 through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Post-Period Performance Inception: July 1, 2008.

Acadian Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Acadian Asset Management has been independently verified for the periods January 1, 1994 through December 31, 2024<sup>1</sup>. A copy of the verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. **Past performance is no guarantee of future returns.** Acadian Asset Management is an investment adviser specializing in global equity management. Acadian Asset Management is defined to include assets managed by Acadian Asset Management LLC, an investment adviser registered with and regulated by the United States Securities and Exchange Commission, as well as assets managed by its wholly-owned affiliates, Acadian Asset Management (Australia) Limited (ABN 41 114 200 127), Acadian Asset Management Singapore Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore, and Acadian Asset Management (UK) Limited, authorized and regulated by the Financial Conduct Authority of the United Kingdom. On June 30, 2015, Acadian acquired the assets of Acadian's Australian office.

**Methodology:** Returns are net of foreign withholding taxes on dividends, interest, and capital gains. Since January 1, 2010 Acadian's methodology was augmented to produce a more accurate gross return figure by eliminating modest cash flows such as securities lending income and custodial fees which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continue to be included. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is calculated on a monthly basis by deducting a model management fee equal to 1/12 of the highest annual management fee listed in the standard fee schedule for accounts shown below. The standard fee schedule for accounts managed with this product is 0.85% on the first \$50 million, 0.75% on the next \$50 million, and 0.6% thereafter. The combined, all-in maximum fee that includes management and operating expenses for the Acadian All Country World Ex U.S. Small-Cap Equity CIT, which is included in the composite, is 0.95% on all assets. The standard management fee schedule and total expense ratio for the Acadian ACWI ex-U.S. Small-Cap Fund, which is included in the composite, are 0.85% on all assets and 1.00%, respectively. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management. Constituent portfolios are included from the first full month after inception to the present or the last full month prior to cessation of the client relationship with the firm. For example, an account that opened January 15, 2019 will be included beginning February 1, 2019. An account that terminated February 12, 2019 will be included through January 31, 2019. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

**Dispersion and Standard Deviation:** Acadian's broad definitions are mainly the product of a highly customized process that may result in modest differences with regards to portfolio characteristics among constituents. All accounts managed with directly comparable investment objectives are included, though it's possible for members to utilize slightly different benchmarks in optimization and reporting. Although at times dispersion among constituents may be high, the long-term forecast for each portfolio is consistent with the overall composite. The 'Dispersion' statistic presented above uses gross of fee returns and is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. These figures are not applicable if there is only one portfolio in the composite for the full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not applicable if thirty-six months of composite returns are not available.

**Composite Description:** This composite invests in developed and emerging small-cap, non-U.S. equities with a dedicated allocation to emerging markets. Complete lists of the firm's composite descriptions, limited distribution pooled fund descriptions, and broad distribution funds are available upon request.

**Benchmark Description:** The benchmark for the composite is MSCI All-Country World ex-U.S. Small-Cap (net of dividend withholding taxes). The MSCI All Country World ex-U.S. Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets excluding the United States. The MSCI Small-Cap Indices cover all investable small cap securities with a market capitalization below that of the companies in the MSCI Standard Indices, and target approximately 14% of each market's free-float adjusted market capitalization.

Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

<sup>1</sup>Ashland Partners verified Acadian's GIPS Compliance claim through March 31, 2017. ACA Compliance Group acquired Ashland's GIPS Verification unit and provided subsequent verifications.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

# Legal Disclaimer

*These materials provided herein may contain material, non-public information within the meaning of the United States Federal Securities Laws with respect to Acadian Asset Management LLC, Acadian Asset Management Inc. and/or their respective subsidiaries and affiliated entities. The recipient of these materials agrees that it will not use any confidential information that may be contained herein to execute or recommend transactions in securities. The recipient further acknowledges that it is aware that United States Federal and State securities laws prohibit any person or entity who has material, non-public information about a publicly-traded company from purchasing or selling securities of such company, or from communicating such information to any other person or entity under circumstances in which it is reasonably foreseeable that such person or entity is likely to sell or purchase such securities.*

*Acadian provides this material as a general overview of the firm, our processes and our investment capabilities. It has been provided for informational purposes only. It does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or to purchase, shares, units or other interests in investments that may be referred to herein and must not be construed as investment or financial product advice. Acadian has not considered any reader's financial situation, objective or needs in providing the relevant information.*

*The value of investments may fall as well as rise and you may not get back your original investment. Past performance is not necessarily a guide to future performance or returns. Acadian has taken all reasonable care to ensure that the information contained in this material is accurate at the time of its distribution, no representation or warranty, express or implied, is made as to the accuracy, reliability or completeness of such information.*

*This material contains privileged and confidential information and is intended only for the recipient/s. Any distribution, reproduction or other use of this presentation by recipients is strictly prohibited. If you are not the intended recipient and this presentation has been sent or passed on to you in error, please contact us immediately. Confidentiality and privilege are not lost by this presentation having been sent or passed on to you in error.*

*Acadian's quantitative investment process is supported by extensive proprietary computer code. Acadian's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within our investment process. These controls and their effectiveness are subject to regular internal reviews, at least annual independent review by our SOC1 auditor. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have in place control systems and processes which are intended to identify in a timely manner any such errors which would have a material impact on the investment process.*

*Acadian Asset Management LLC has wholly owned affiliates located in London, Singapore, and Sydney. Pursuant to the terms of service level agreements with each affiliate, employees of Acadian Asset Management LLC may provide certain services on behalf of each affiliate and employees of each affiliate may provide certain administrative services, including marketing and client service, on behalf of Acadian Asset Management LLC.*

*Acadian Asset Management LLC is registered as an investment adviser with the U.S. Securities and Exchange Commission. Registration of an investment adviser does not imply any level of skill or training.*

*Acadian Asset Management (Singapore) Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore. It is also registered as an investment adviser with the U.S. Securities and Exchange Commission.*

*Acadian Asset Management (Australia) Limited (ABN 41 114 200 127) is the holder of Australian financial services license number 291872 ("AFSL"). It is also registered as an investment adviser with the U.S. Securities and Exchange Commission. Under the terms of its AFSL, Acadian Asset Management (Australia) Limited is limited to providing the financial services under its license to wholesale clients only. This marketing material is not to be provided to retail clients.*

*Acadian Asset Management (UK) Limited is authorized and regulated by the Financial Conduct Authority ('the FCA') and is a limited liability company incorporated in England and Wales with company number 05644066. Acadian Asset Management (UK) Limited will only make this material available to Professional Clients and Eligible Counterparties as defined by the FCA under the Markets in Financial Instruments Directive, or to Qualified Investors in Switzerland as defined in the Collective Investment Schemes Act, as applicable.*



GLOBAL AFFILIATES

Boston London Singapore Sydney

ACADIAN-ASSET.COM



# International Small Cap Equity

---

Los Angeles Fire & Police Pensions

January 15, 2026

Andrew Birse, CIO—International Small Cap Equities  
Liz Smith, Senior Managing Director—US Public Retirement Systems  
Mark Brown, Managing Director—US Public Retirement Systems

# Firm and Business Update



For Investment Professional use only.

AB International Small Cap Equity

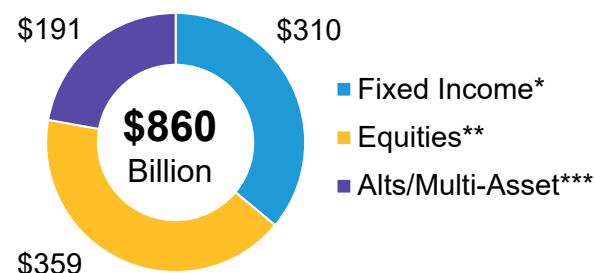
# AllianceBernstein Is a Leading Global Asset Manager

Serving clients with our global reach

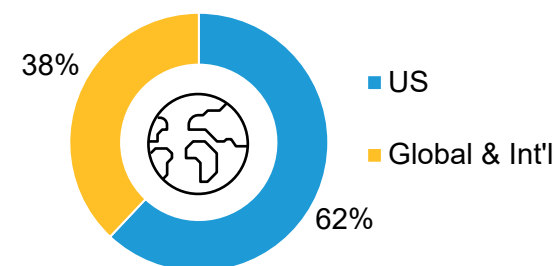
## Global Reach and Integrated Network



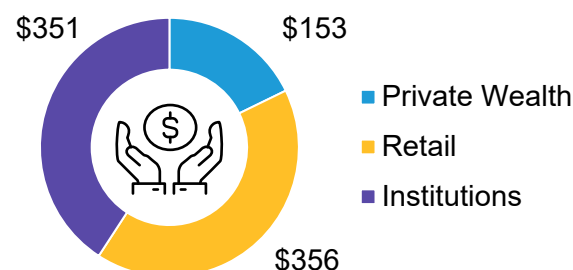
## How Our Clients Invest



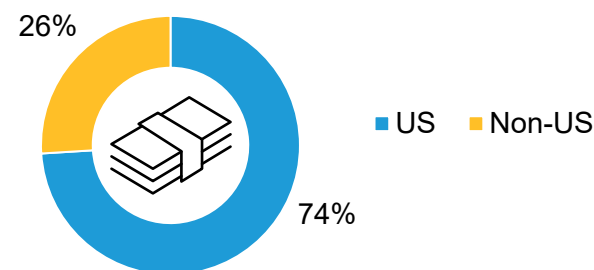
## By Geographic Investment Service



## Distribution Channels



## Client Domicile By Region



In US dollars. Global and EAFE services, including those that invest in emerging markets, as well as stand-alone emerging-market services.

Source: AB. As of September 30, 2025. \*Fixed Income includes Active and Passive. Active Fixed Income includes Actively Managed Tax-Exempt and Actively Managed Taxable. Passive Fixed Income includes Index and Enhanced Index Services.

\*\*Equity includes Active and Passive Equity. Passive Equity Includes Index and enhanced Index services.

\*\*\*Includes certain multi-asset solutions and services not included in equity or fixed income services.



For Investment Professional use only.

AB International Small Cap Equity

# International Small Cap Investment Team

## Portfolio Management



**Andrew Birse**

Chief Investment Officer  
24 Years Experience / 15 Years with AB  
Auckland



**Vivian Chen**

Portfolio Manager  
20 Years Experience / 13 Years with AB  
Taipei

## Research Expertise\*



### Europe

**5** Fundamental Analysts

**2** Quantitative Analysts



### Asia ex-Japan

**8** Fundamental Analysts

**2** Quantitative Analysts



### Australia

**4** Fundamental Analysts

**1** Quantitative Analyst



### Japan

**3** Fundamental Analysts

### AB Global ex-US Equity: Value Research

- 20 Fundamental Analysts
- 5 Quant Analysts
- Majority of portfolio manager and analyst compensation is variable
- Primary driver of variable compensation is alpha contribution to portfolios

As of November 2025

\*International research analysts as of September 30, 2025



For Investment Professional use only.

AB International Small Cap Equity



# Philosophy and Process



For Investment Professional use only.

AB International Small Cap Equity

# AB International Small Cap Equity

Thinking like business owners to seek underappreciated non-US small cap companies

Characteristics	
Return Objective*	+2%–4% vs. Benchmark
Primary Benchmark	MSCI ACWI ex US Small Cap
Beta	~1
Number of Holdings	80–120
Market Capitalization	Small <\$5 billion for new buys
Position Weights	Typically 0.5% to 2.5%
Active Share	>95%
Turnover	30%–60%
Inception Date	February 2014

International Small Cap provides a distinct source of alpha, based on:



## Idiosyncratic Insights

Fundamental research to identify companies of which future cash flows are underappreciated



## Thinking Like Owners

Bringing a private equity mind-set to the public markets. Disciplined cash flow-based valuations, not dependent on multiple expansion or accounting metrics



## Globally Integrated Research Capabilities

Promoting intense collaboration among analysts across regions and industries



## Broader Perspectives on Risk

Directly engaging with short sellers to deepen understanding of the bear case

**There can be no assurances that any investment objectives will be achieved. All portfolio statistics, characteristics and holdings are subject to change.** \*Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown.

As of November 2025. Source: AB



For Investment Professional use only.

## Our Investment Philosophy

We approach investing as **business owners**, developing a **differentiated perspective** on companies' **future cash flows** and buying them at prices that offer **attractive return** potential

# Why AB International Small Cap?

## Why International Small Cap?

- We believe the portfolio is well positioned to help capitalize on **disconnects between fundamentals and valuation**
- AB International Small Cap is **attractively valued relative to global markets**

## Why Value?

- Deep discount despite **healthy and improving Value fundamentals**
- An environment of more **normal interest rates**

## Why Now?

- Value stocks are “**uncrowded**”, and the average investor is very overweight Growth
- **Reevaluating regional diversification** given the heavy concentration global equities in a small group of mega-cap US stocks
- Idiosyncratic opportunities are widespread led by **valuation gaps near record levels**

## Why AB?

- **Long history** managing value portfolios
- **Experienced** investment team
- Differentiated research insights with **global research footprint**

**Past performance and current forecast do not guarantee future results.**

As of September 30, 2025



For Investment Professional use only.

AB International Small Cap Equity

8

# We Stand for Cash Flow-Driven Value Investing



**Long-term valuation framework** of normalized cash earnings with five years of proprietary financial forecasts



**Focus on value** through lens of **sustainable free-cash-flow yield**



**Management quality and business strength** are key elements of our investing approach



**Independent and contrarian thinking** drives differentiated insights and conviction



**Disciplined quantitative approach** with a focus on risk management



**Overcome behavioral biases** to help avoid value traps.

For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.

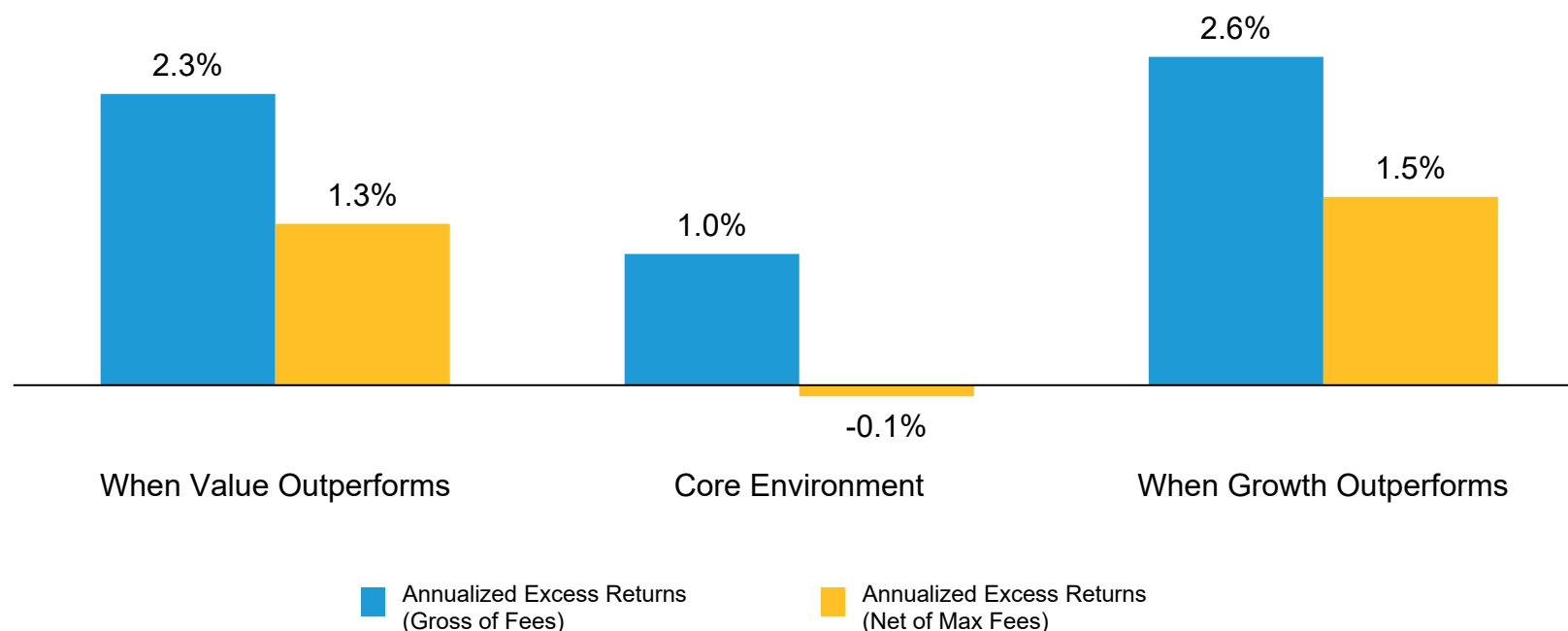


For Investment Professional use only.

AB International Small Cap Equity

# AB International Small Cap: Consistent Long-Term Performance in Different Market Style Environments

**Relative Returns vs. the MSCI ACWI ex-US Small Cap index**  
Since inception\*



## Past performance does not guarantee future results.

\*Data are preliminary. The returns presented above are shown both gross and net of management fees since inception of the International Small Cap portfolio in March 1, 2014. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. Investment advisory fees are described in Part 2A of AB's Form ADV. This is supplemental information to the GIPS-compliant performance and disclosure page. Value environment defines as months when the MSCI ACWI ex-US Small Value Index outperforms the MSCI ACWI ex-US Small Growth Index by 0.50% or greater. Growth environment defines as months when the MSCI ACWI ex-US Small Growth Index outperforms the MSCI ACWI ex-US Small Value Index by 0.50% or greater. Core environments defined as months when the difference between the Value and Growth Index was less than 0.50%. As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report at the conclusion of this presentation.



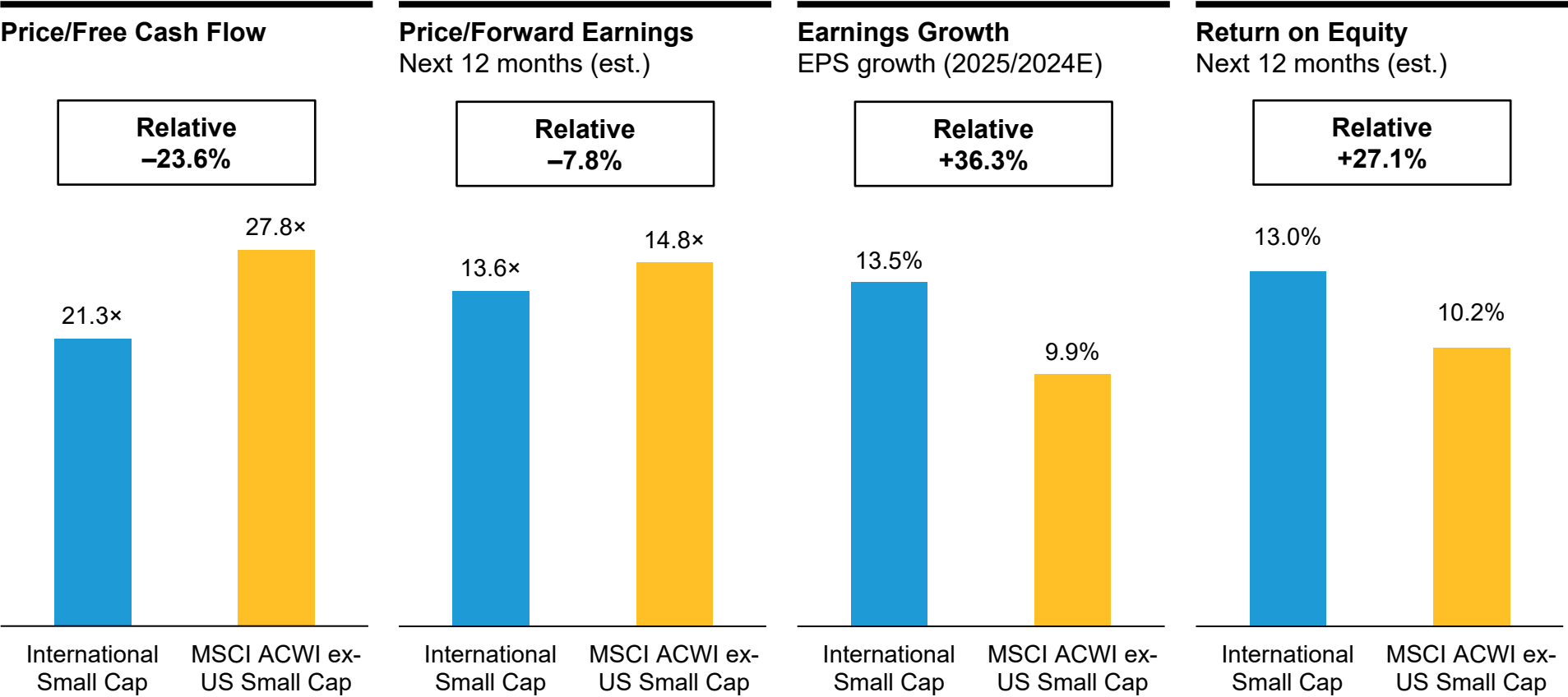
For Investment Professional use only.

AB International Small Cap Equity

10

# Portfolio Characteristics

Attractive valuations and strong returns



**Past performance does not guarantee future results.** Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown  
Based on a representative International Small Cap account  
As of September 30, 2025  
Source: MSCI and AB

# Our Cash Flow-based Approach to Investing

AB Value philosophy



## What Do We Do?



- Utilize our integrated global research team to invest in companies trading at attractive valuations relative to their normalized free cash flow generation prospects based on bottom-up company-specific insights of our analysts



## Where Do We Find Opportunities?



- We typically find attractive opportunities in three areas
  1. Companies undergoing positive changes (turnarounds)
  2. Underappreciated sustainable competitive advantage (diamonds in the rough)
  3. Companies benefitting from improving industry competitive dynamics (micro-economic winners)



## Putting it Together



- We aim to build a portfolio of attractive small and mid-cap businesses with similar or better growth and profitability characteristics than the market yet trading at a significant discount to the market relative to cash flow generated
- We incorporate a broad perspective on risk through proprietary and customized risk tools

For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.



For Investment Professional use only.

AB International Small Cap Equity

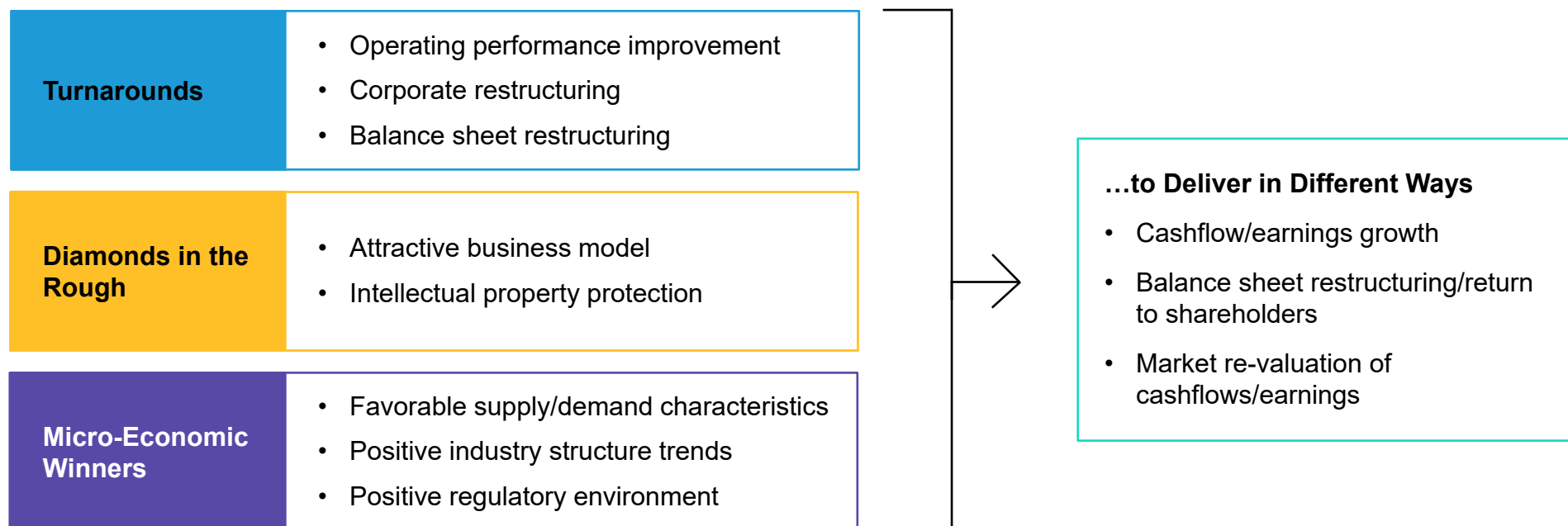
12



# Our Investment Approach

---

## We Exploit Multiple Themes...



**There is no guarantee the investment objective will be achieved.**

Source: AB; see Disclosures and Important Information.



For Investment Professional use only.

# High Conviction in Our Differentiated Research Insights

Company examples

Turnarounds	Diamonds in the Rough	Micro-Economic Winners
 <b>Babcock</b>	 <b>KADOKAWA</b>	 <b>NANYA</b>
<b>Balfour Beatty</b>	 <b>sembcorp</b>	 <b>LIG</b> LIG Nex1
 <b>Coca-Cola</b> BOTTLETS JAPAN HOLDINGS INC.	 <b>SAAB</b>	 <b>Nexans</b>

**The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings are subject to change.** The companies identified above represent a portion of the holdings of a representative International Small Cap account. Logos, brands and other trademarks in this presentation are the property of their respective trademark holders. They are used for illustrative purposes only, and are not intended to convey any endorsement or sponsorship by, or association or affiliation with, the trademark holders.

As of November 30, 2025

Source: AB; see Disclosures and Important Information at the conclusion of this presentation.



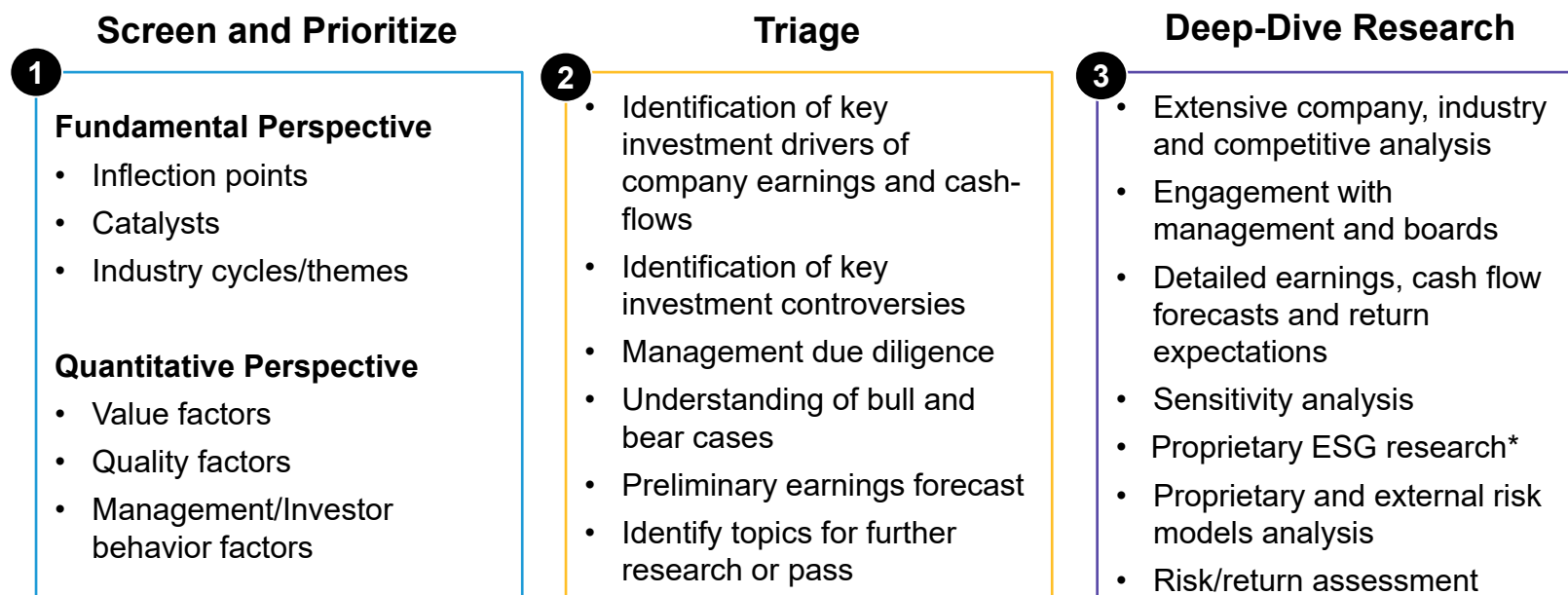
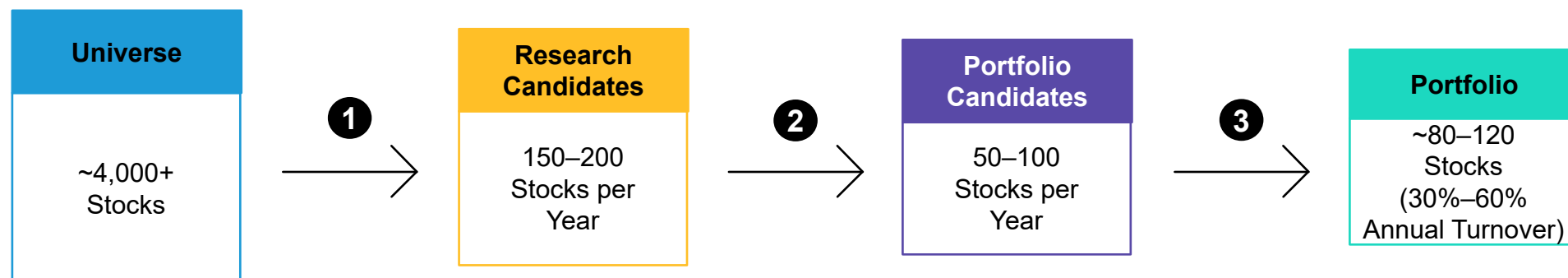
For Investment Professional use only.

AB International Small Cap Equity

14

# Investment Process Overview

Leveraging global research



**For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.**

\*ESG: environmental, social and governance

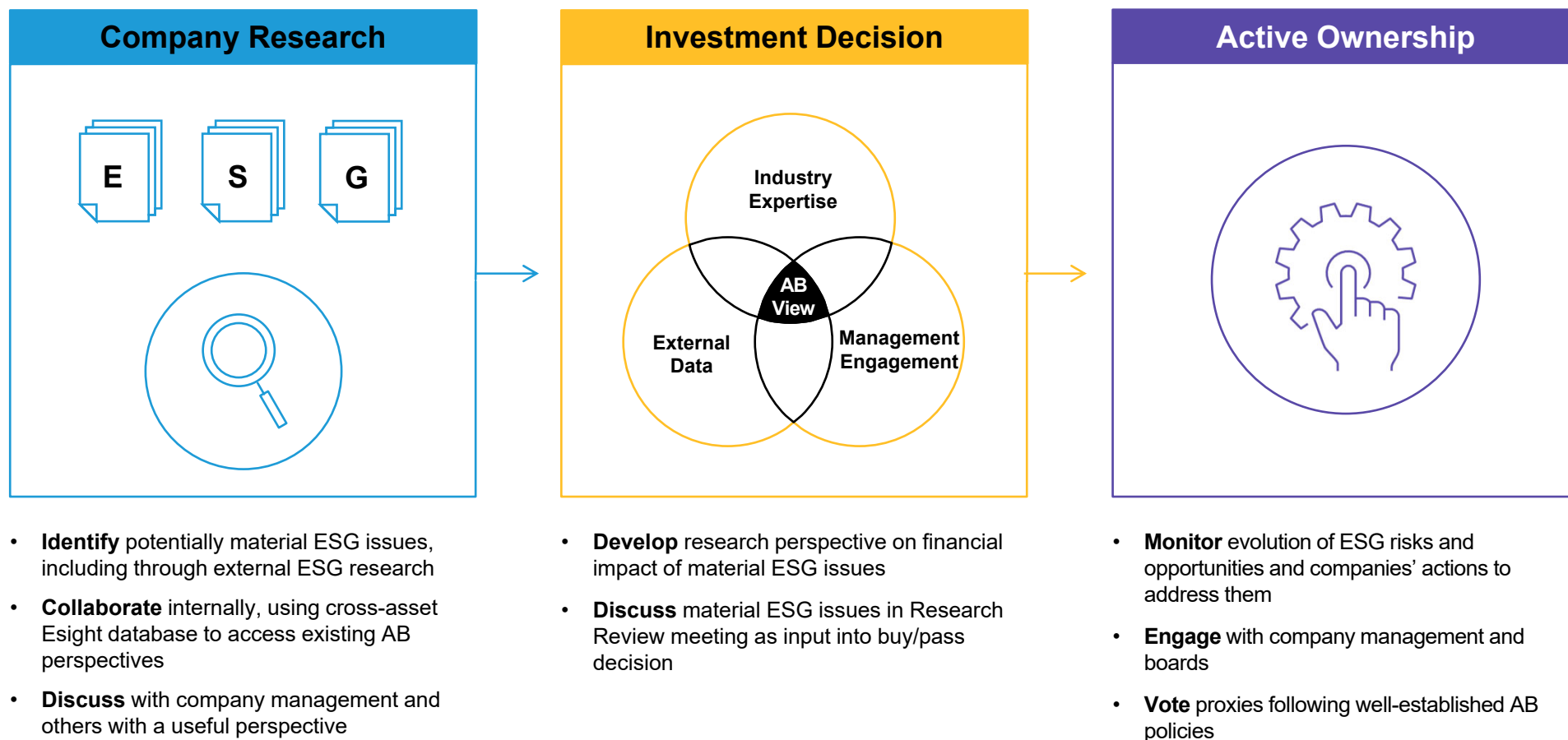


For Investment Professional use only.

AB International Small Cap Equity

15

# ESG Is Integrated into Our Investment Process



**For illustrative purposes only.** AB engages companies where it believes the engagement is in the best financial interest of its clients.

Source: AB

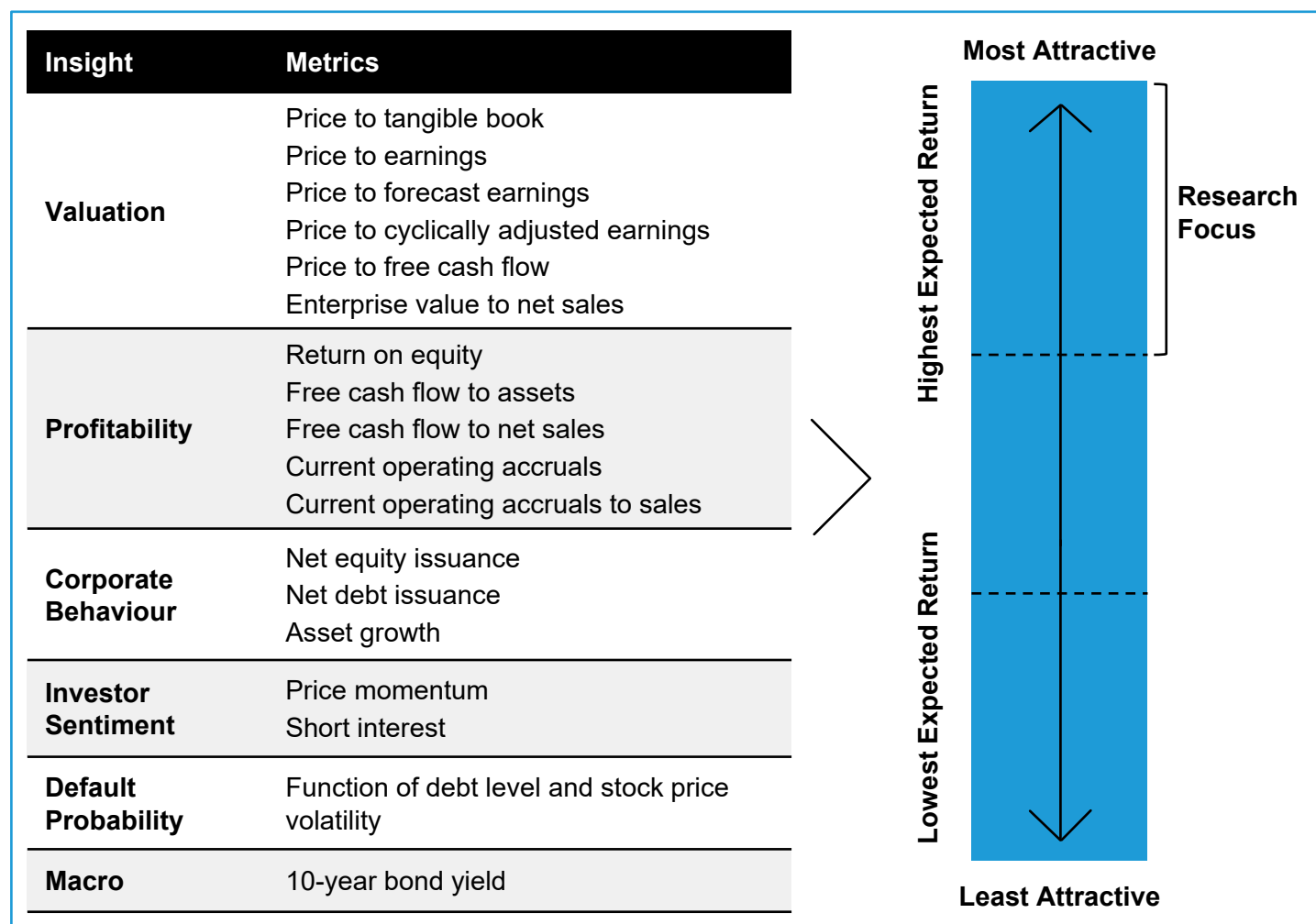


For Investment Professional use only.

AB International Small Cap Equity

16

# Expected Return Model: Helps Focus Fundamental Research



- Each company's expected return is driven by comparisons with other companies in its global industry and by its industry and country membership, with company-level comparisons having the highest weight
- Different metrics and coefficients are used for financial and non-financial companies; and for each non-financial industry based on its asset intensity and cyclicalty

For illustrative purposes only.

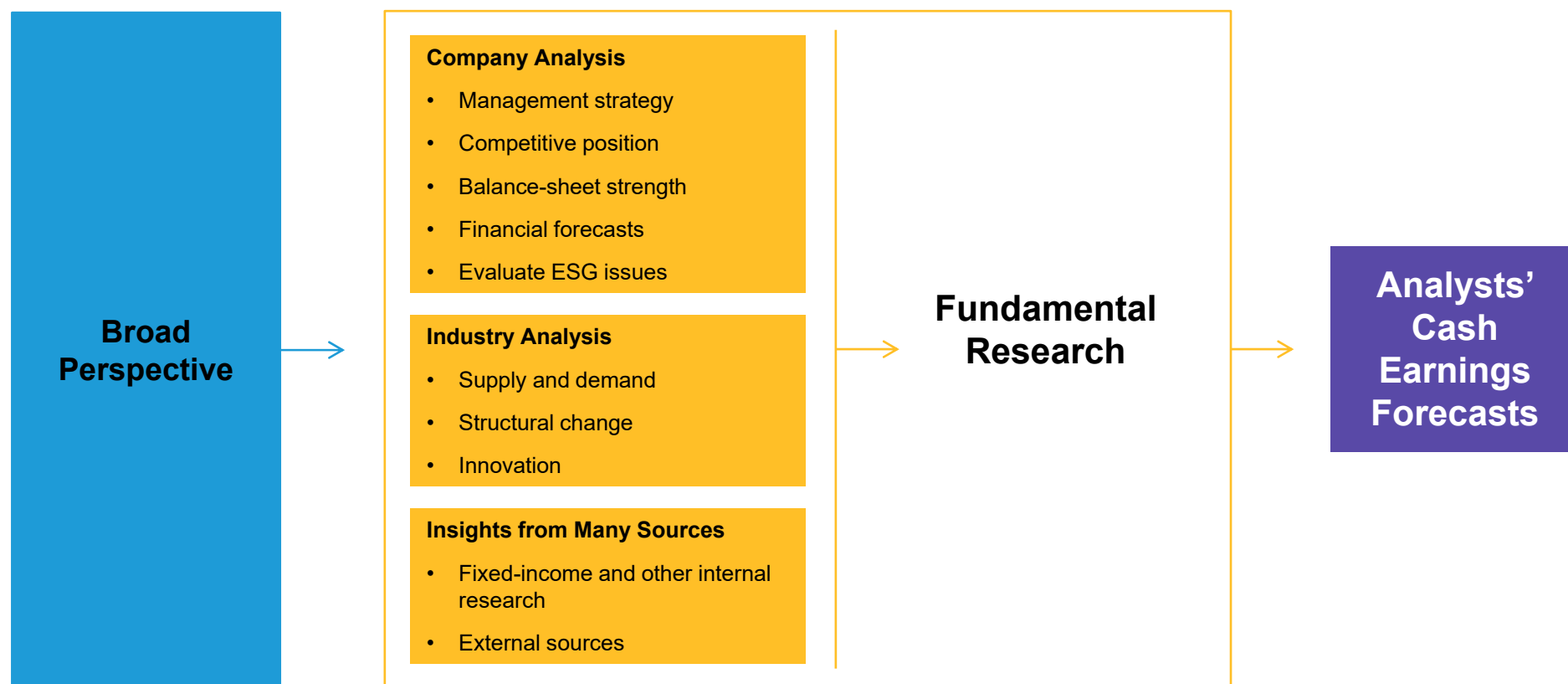
Source: AB



For Investment Professional use only.

# The Basis of Stock Selection

Fundamental analysts' cash earnings forecasts



For illustrative purposes only.



For Investment Professional use only.

# Our IRR-Based Approach

A company example of research-based return forecasting (Euro millions)

	2020E	2021F	2022F	2023F	2024F	2025F
EBITDA	385	516	552	582	602	617
FCF*	-58	163	90	134	151	161
Net Debt	988	825	795	760	721	678
Dividends/Share Buy-Backs	—	—	61	99	111	118

**Our actual forecasts, based on our fundamental research**

EV/EBITDA	6.7×	—	—	—	—	6.7×
Enterprise Value	2,474	—	—	—	—	4,194
Market Cap	1,486	—	—	—	—	3,516

**Our conservative approach assumes an exit at a similar multiple than entry**

Investment Cashflow	-1,486	0	61	99	111	3,634
---------------------	--------	---	----	----	-----	-------

**= 20.5% IRR Potential**

**This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and is not to be considered a recommendation by AllianceBernstein L.P.** Holdings are investment theses and are subject to change.

It should not be assumed that investments in any specific security was or will be profitable. It does not represent all of the securities purchased, sold or recommended for clients in this product. A listing of all recommendations made during the prior one-year period is available upon request. Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown.

Net debt, enterprise value and market cap are as of 31 December of each year. Thesis and model based on end of year 2019 and AB forecasts as of 2020.

\*FCF (free cash flow) = cash flow from operating activities - cash flow from investing activities - repayment of lease liabilities

As of September 30, 2025

Source: Company reports and AB; see Disclosures and Important Information at the conclusion of this presentation.



For Investment Professional use only.

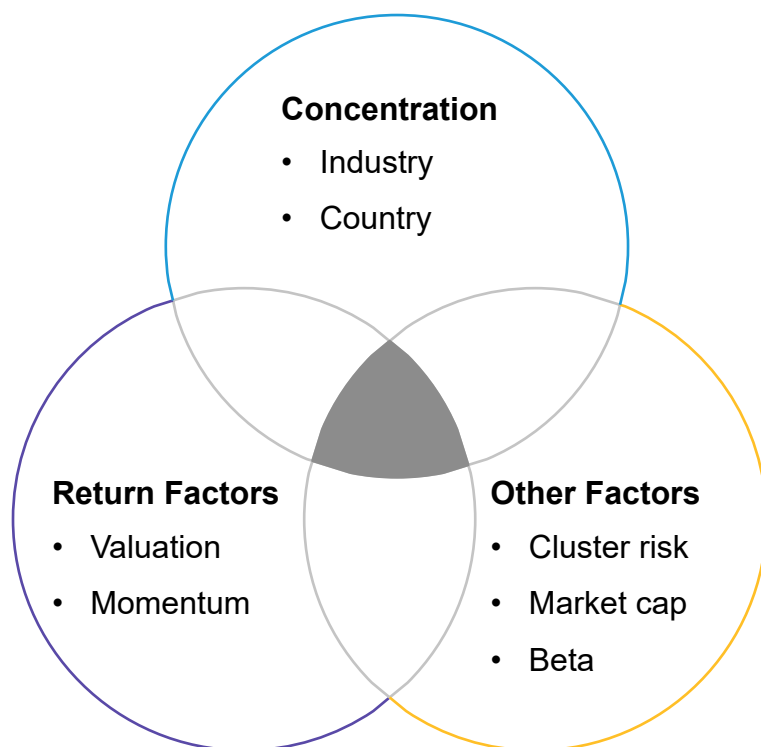
AB International Small Cap Equity

19

# Disciplined Portfolio Construction

Informed by fundamental and quantitative perspectives

## Understand Changing Portfolio Risk Exposures



## Size Positions Based on:

- Return conviction
- Downside risks
- Contribution to portfolio's factor and macro risk exposures
- Liquidity

**Ensure that company-specific risks are the primary source of tracking error**

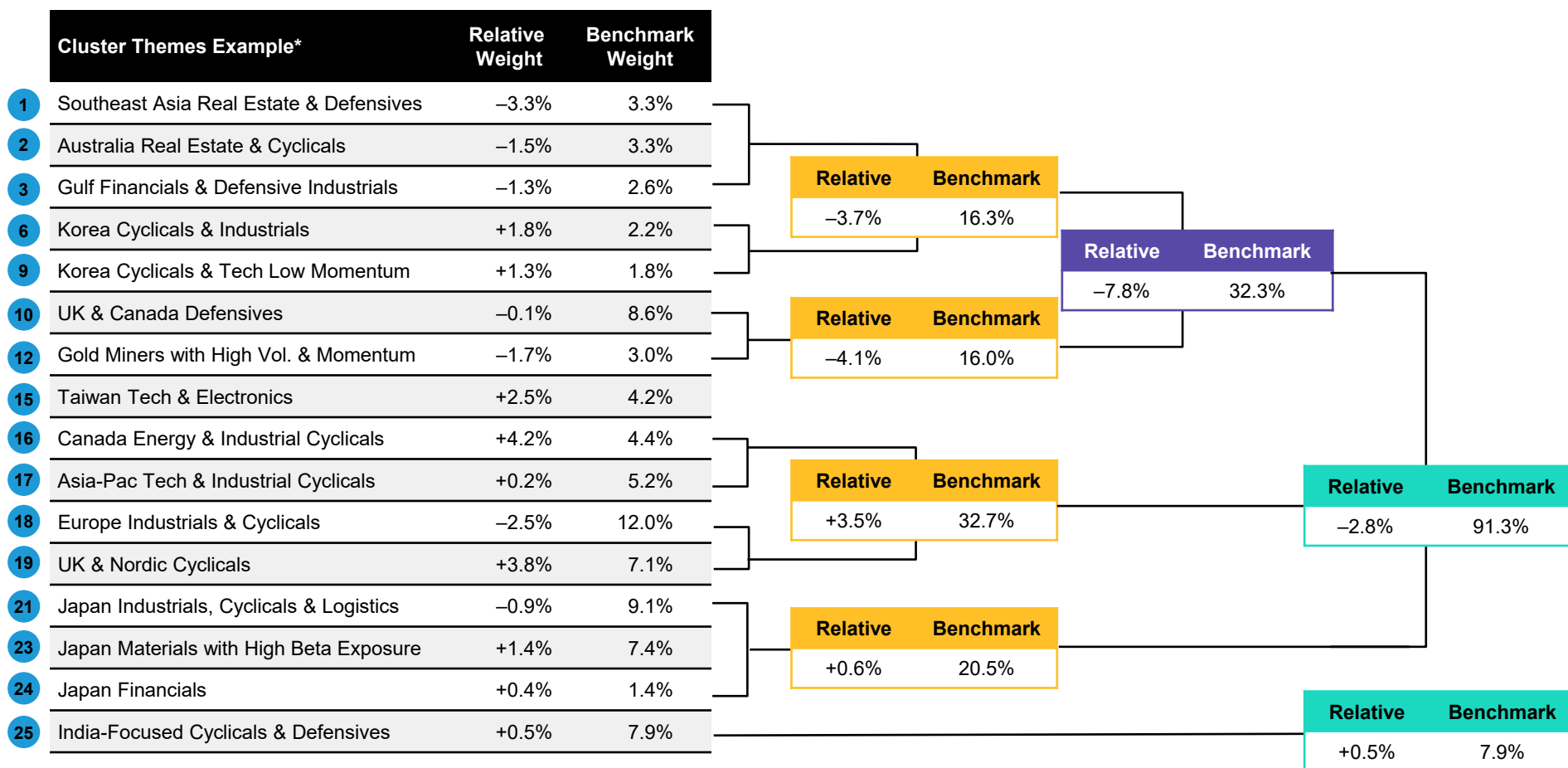
Source: AB



For Investment Professional use only.



# Cluster Analysis: Helping to Identify Unintended Risks



**Analysis provided for illustrative purposes only and is subject to revision. Holdings are subject to change.** Based on a representative International Small Cap account versus the MSCI ACWI ex-US Small Cap Index. Clustered according to six-month intra-stock correlations.

\*The cluster themes shown are for illustrative purposes only and do not represent all clusters in the analysis or all the stocks in the clusters. Each cluster may include stocks outside the theme but moving with high correlation to the theme.

As of June 25, 2025. Source: MSCI and AB



For Investment Professional use only.

AB International Small Cap Equity

21

# AB Global Equity Trading Team

## Frank Loughlin

Global Head of Execution Services – Equities

### Americas

Robert Arendt – SVP, Trader  
Julie Eckel – VP, Trader  
Matthew Egge – VP, Trader  
Jacqueline Mendez – VP, Trader

### EMEA

April Lin - SVP, Head of EMEA and APAC  
Equity Trading  
Emma King – VP, Trader

### Asia Pacific

Fiona Wong – VP, Trader  
Sandy Ngai – VP, Trader  
Karina Lee – VP, Trader

### Quantitative Trading

Mark Gurliacci – SVP, Quantitative Trader

As of September 2025  
Source: AB



For Investment Professional use only.

AB International Small Cap Equity

22

# AB Equity Portfolio Management Group

Global Support. Local Specialists.



## Global PMG Locations

US – Nashville

EMEA – London

Asia Pacific – Sydney, Taipei

## Role

**Local PMG team**

**Global PMG Community**

**Management Team**

**Risk Management**

**SBU Heads**

## Description

Support and implement PM decisions, manage client lifecycle events

Provide regional expertise to market and 24/6 support for PM decisions

Provide risk oversight and technology support for APM community, experience from multiple regions

Dedicated Risk Manager supporting process excellence, and cross firm ad-hoc event

Reporting lines to both Equities and Operations/Technology heads to ensure client focus and technology support

As of September 2025  
Source: AB



For Investment Professional use only.

AB International Small Cap Equity

23

# Current Strategy Performance, Attribution and Characteristics



For Investment Professional use only.

AB International Small Cap Equity

24

# AB International Small Cap: Performance Summary

Composite (in US dollars)

	Periods Ended September 30, 2025					
	Jan–Sep 2025	One Year	Three Years	Five Years	Ten Years	Since Inception
<b>International Small Cap (Net of Max of Fees)</b>	<b>33.8%</b>	<b>23.9%</b>	<b>23.1%</b>	<b>10.9%</b>	<b>9.3%</b>	<b>7.2%</b>
MSCI ACWI ex-US Small Cap	25.5	15.9	19.4	10.0	8.4	6.3
Relative Performance	+8.3%	+8.0%	+3.7%	+0.9%	+0.9%	+0.9%
<b>International Small Cap (Gross of Fees)</b>	<b>34.8%</b>	<b>25.1%</b>	<b>24.3%</b>	<b>12.0%</b>	<b>10.4%</b>	<b>8.3%</b>
MSCI ACWI ex-US Small Cap	25.5	15.9	19.4	10.0	8.4	6.3
Relative Performance	+9.3%	+9.2%	+5.0%	+2.0%	+2.0%	+2.0%

**Past performance does not guarantee future results.** Data are preliminary. Periods of more than one year are annualized. Numbers may not sum due to rounding. The returns presented above are shown both gross and net of management fees. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. Investment advisory fees are described in Part 2A of AB's Form ADV. This is supplemental information to the GIPS-compliant performance and disclosure page.

Inception date: International Small Cap—February 28, 2014

Source: MSCI and AB; please see the AB GIPS Report at the conclusion of this presentation..



For Investment Professional use only.

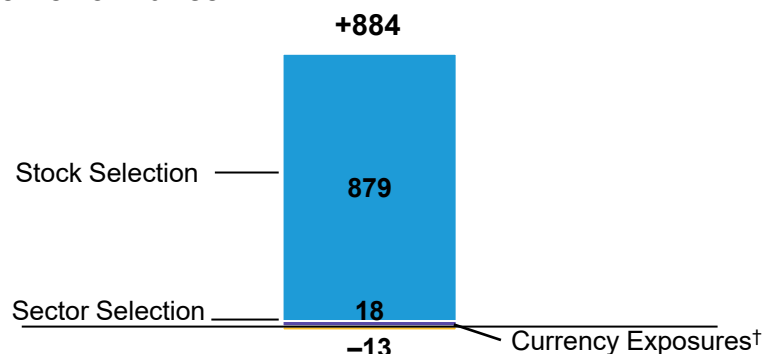
AB International Small Cap Equity

25

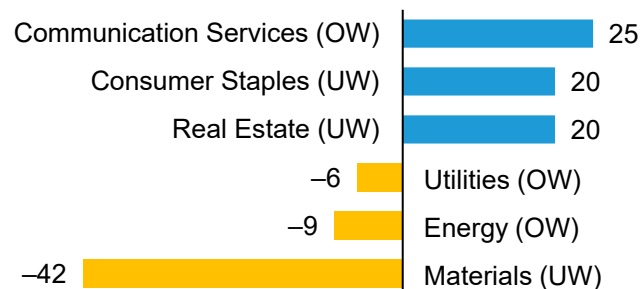
# AB International Small Cap: YTD Attribution

As of September 30, 2025 vs. MSCI ACWI ex-US Small Cap (basis points)

## Relative Performance



## Sector Selection



## Largest Contributors

Company	Sector	Attribution
Hyundai Rotem	Industrials	+245
Hanwha Aerospace	Industrials	+200
APR Corp	Consumer Staples	+187
Saab AB	Industrials	+180
Hyosung Heavy Industries	Industrials	+147

## Largest Detractors

Company	Sector	Attribution
Criteo	Communication Services	-100
International Games System	Communication Services	-66
Bidvest Group	Industrials	-58
Kuraray	Materials	-56
Jollibee Foods Corp	Consumer Discretionary	-52

Past performance does not guarantee future results. This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and does not constitute an investment recommendation. The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings are subject to change. Attribution calculated gross of fees. Numbers may not sum due to rounding. This is supplemental information to the net of fee returns shown on the standardized Performance Summary page and the GIPS-compliant performance and disclosure page. Based on a representative International Small Cap account measured against MSCI ACWI ex-US Small Cap Index, in USD.

†Explicit and implicit currency exposures

As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation.



For Investment Professional use only.

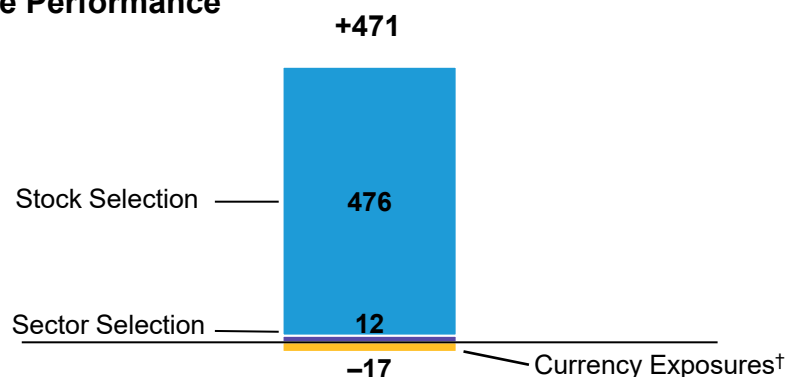
AB International Small Cap Equity

26

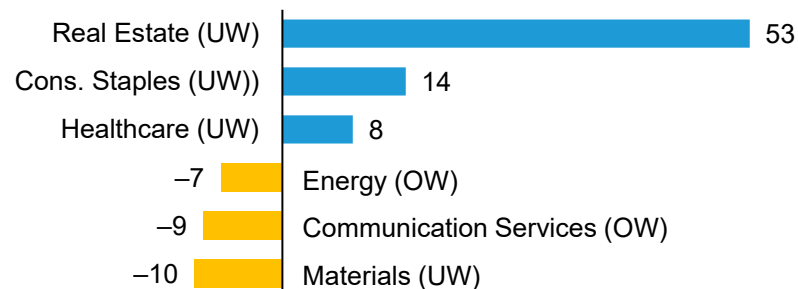
# AB International Small Cap: Three-Years Attribution

As of September 30, 2025 vs. MSCI ACWI ex-US Small Cap (basis points)

## Relative Performance



## Sector Selection



## Largest Contributors

Company	Sector	Attribution
Saab AB	Industrials	+126
International Games System	Communication Services	+98
Hanwha Aerospace	Industrials	+95
Asics Corp	Consumer Discretionary	+80
Hyundai Rotem	Industrials	+74

## Largest Detractors

Company	Sector	Attribution
Hypermarcas	Healthcare	-49
Interfor Corp.	Materials	-40
Sendas Distribuidora	Consumer Staples	-36
Ubisoft Entertainment	Communication Services	-34
Criteo	Communication Services	-30

Past performance does not guarantee future results. This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and does not constitute an investment recommendation. The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings are subject to change. Attribution calculated gross of fees. Numbers may not sum due to rounding. This is supplemental information to the net of fee returns shown on the standardized Performance Summary page and the GIPS-compliant performance and disclosure page. Based on a representative International Small Cap account measured against MSCI ACWI ex-US Small Cap Index, in USD.

†Explicit and implicit currency exposures

As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation.



For Investment Professional use only.

AB International Small Cap Equity

27

# Sector Weights

Sector	International Small Cap (Percent)	MSCI ACWI ex US Small Cap (Percent)	Portfolio Over/Underweight (Percent)
Financials	17.6	12.0	 5.6
Technology	15.2	11.1	 4.0
Industrials	21.8	20.4	 1.4
Energy	4.6	3.6	 1.0
Utilities	3.5	3.0	 0.5
Communication Services	4.3	4.0	 0.3
Consumer Discretionary	11.7	11.6	 0.1
Consumer Staples	4.2	5.3	 -1.1
Healthcare	3.7	7.0	 -3.3
Materials	9.0	12.5	 -3.6
Real Estate	4.5	9.4	 -4.9

**Holdings are subject to change.** Numbers may not sum due to rounding.

Based on a representative International Small Cap account. Individual accounts will vary. The portfolio allocation excludes cash

As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.



For Investment Professional use only.

AB International Small Cap Equity

28



# Country Weights

	Portfolio	MSCI ACWI ex-US Small Cap	Relative Weight
Europe, Middle East and Africa	UK	12.8%	+4.5%
	France	4.0	+1.9
	Ireland	1.6	+1.4
	Cyprus	0.8	+0.8
	Jersey	0.7	+0.7
	Austria	1.3	+0.5
	Germany	2.9	+0.3
	Spain	0.9	+0.0
	Denmark	1.2	-0.0
	Belgium	0.9	-0.2
	Others	2.5	-11.0
<b>Region Total</b>		<b>29.6%</b>	<b>30.7%</b>
Asia Pacific	Japan	27.7%	+4.7%
	Singapore	1.0	-0.3
	Australia	1.7	-5.2
	Others	0.5	-1.0
<b>Region Total</b>		<b>30.9%</b>	<b>32.6%</b>
Americas	Canada	6.8%	-0.2%
	<b>Region Total</b>	<b>6.8%</b>	<b>7.0%</b>
Emerging Markets	Korea	10.3%	+6.5%
	Taiwan	7.6	+1.8
	Greece	1.8	+1.5
	Mexico	1.7	+1.3
	India	7.8	+0.5
	Others	3.5	-8.6
<b>Region Total</b>		<b>32.7%</b>	<b>29.7%</b>

**Holdings are subject to change.** Numbers may not sum due to rounding.

Based on a representative International Small Cap account. Individual accounts will vary. The portfolio allocation excludes cash.

As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.



For Investment Professional use only.

AB International Small Cap Equity

29

## Top 10 Active Holdings

Company Name	Country	Sector	Absolute Weight	Relative Weight
Balfour Beatty	UK	Industrials	2.2%	+2.1%
Mebuki Financial Group	Japan	Financials	2.2%	+2.1%
Alpha Bank	Greece	Financials	1.7%	+1.7%
Babcock Intl Group	UK	Industrials	1.8%	+1.7%
Grupo Aeroportuario del Centro Norte	Mexico	Industrials	1.7%	+1.7%
Elite Material	Taiwan	Technology	1.6%	+1.6%
Bank of Ireland	Ireland	Financials	1.5%	+1.5%
Nexans	France	Industrials	1.6%	+1.5%
Capital Power Corp	Canada	Utilities	1.5%	+1.4%
Lundin Mining Corp	Canada	Materials	1.4%	+1.4%

Based on a representative International Small Cap account. Individual accounts will vary. Active weights relative to MSCI ACWI ex-US Small Cap Index

As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.



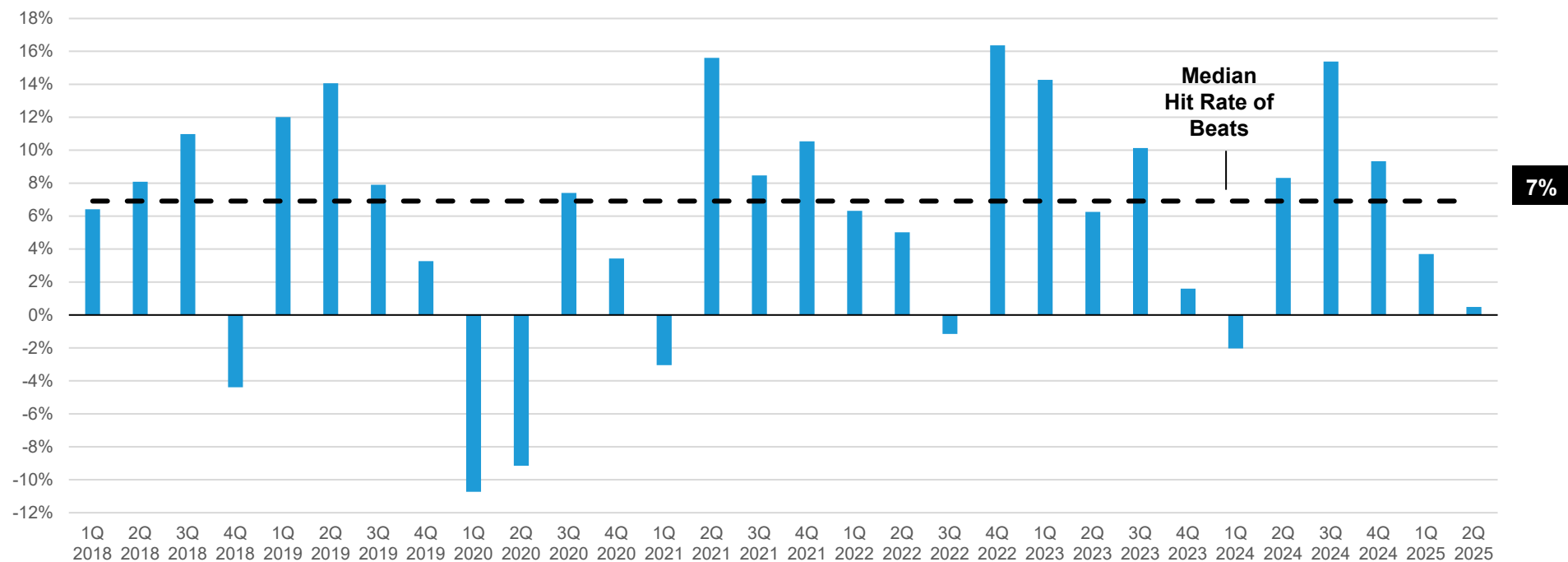
For Investment Professional use only.

AB International Small Cap Equity

30

# Recent Earnings Trends for the International Small Cap Portfolio Have Been Consistently Positive

AB International Small Cap held positions' earnings beating consensus relative to MSCI ACWI ex-US Small Cap Index



**Past performance and historical analysis do not guarantee future results. There are no assurances that investment objectives will be achieved. Historical information and forecasts provided for illustrative purposes only and are subject to change.** Holdings are investment theses are subject to change. Based on a representative International Small Cap account against MSCI ACWI ex-US Small Cap Index. All data shown in US dollars from January 1, 2018 to June 30, 2025.

As of September 30, 2025

Source: IBES, IDC and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation

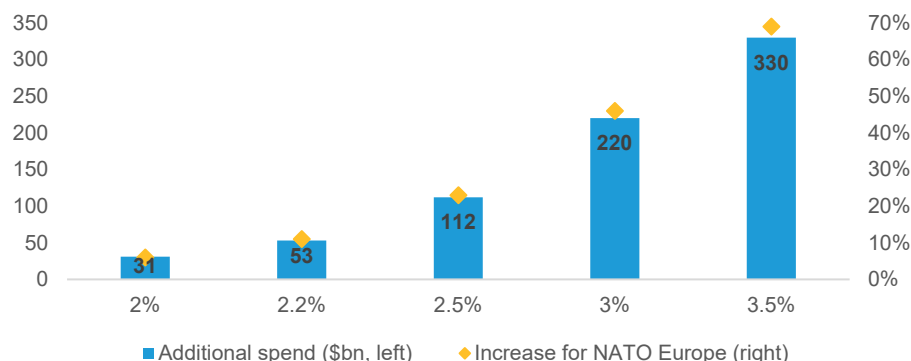


For Investment Professional use only.

AB International Small Cap Equity

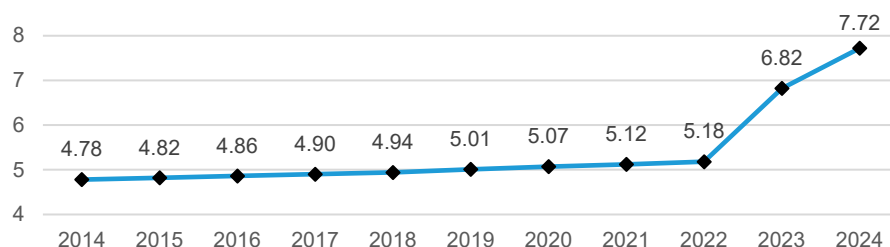
# Pressure For Upward Spending in Defense Budgets Globally, Following Uncertainties over the Shape of the US Defense Umbrella

## Additional Spend for NATO Europe at Different Spending Threshold



## Japan Defense-Related Fiscal Year Expenditures\*

Original budget, in trillion yen



Past performance and historical analysis do not guarantee future results. This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and is not to be considered a recommendation by AllianceBernstein L.P. The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings in investment theses are subject to change. Logos, brands and other trademarks in this presentation are the property of their respective trademark holders. They are used for illustrative purposes only, and are not intended to convey any endorsement or sponsorship by, or association or affiliation with, the trademark holders.


\*Expenditures excluding SACO, reorganization, government aircraft, and building national resilience.

As of September 30, 2025. Source: NATO, Japan Ministry of Defense and AB



For Investment Professional use only.

## We believe national defense spending trends present compelling investment opportunities

- **Sweden-based aerospace and defense company Saab** 
  - European governments plan to step up defense spending markedly over the coming years, from approximately 2% of GDP today to more than 3%
  - If all European countries were to reach the 3% target, this could add roughly \$220bn of military spending, and imply a 46% increase in the size of NATO country budgets overall

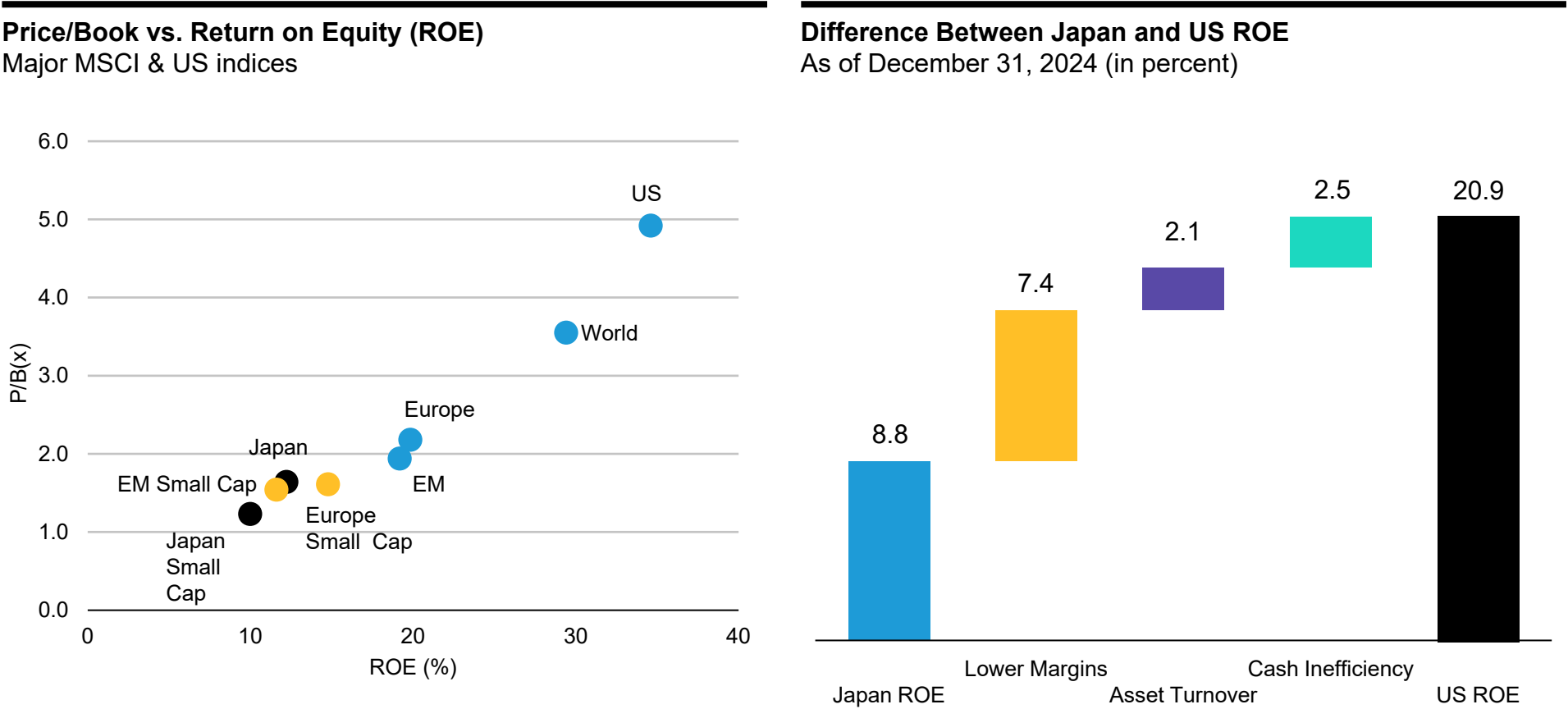
## Japanese defense equipment conglomerate Kawasaki Heavy Industries



- Increasing tensions with China have prompted Japan to increase its own defense spending, leading the Cabinet to approve a record defense budget for 2025, the 13th growth year in a row
- Exporters of defense equipment will benefit of governments increasing their defense spending. As one of the major defense equipment suppliers in Japan, Kawasaki performed well in the first half of 2025
- The company reported a significant boost in fiscal year 3Q:2024 revenue, with aerospace revenue in particular up 13.8% on a year-over-year basis – one of the highest quarterly figure. Growth was largely driven by defense business where revenues grew by 52% yoy

# Investing in Japan is all about the “Transformation” Story

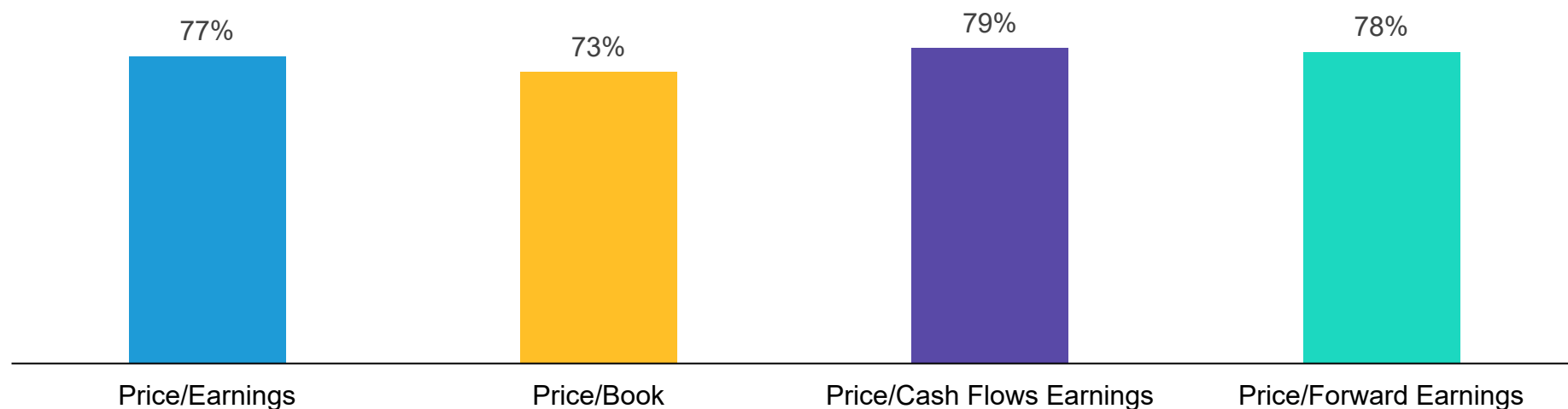
Closing the ROE gap vs. other equity markets could trigger a re-rating



**Past performance and current analysis do not guarantee future results.**  
US large-caps represented by S&P 500 Index, global large-caps by MSCI World Index, emerging markets by MSCI Emerging Markets Index, emerging markets small-caps by MSCI EM Small Cap Index, Japan large-caps by MSCI Japan Index, Japan small-caps by MSCI Japan Small Cap Index, Europe large-caps by MSCI Europe Index, and Europe small-caps by MSCI Europe Small Cap Index.  
As of September 30, 2025  
Source: Bloomberg, MSCI, S&P, Japan Exchange Group, Morningstar Direct and AB

# Healthy Valuation Discount Despite Recent Value Outperformance

Current Value vs. Growth discount percentiles\*



- Given expectations for a strong cyclical recovery in a potentially more stubborn inflationary environment, the forecast profitability and earnings revisions of Value companies is high relative to Growth, and...
- . . . balance sheets, too, are quite strong relative to Growth, based on Net Debt to Equity
- Despite these fundamentals, Value is priced at a near record discount to Growth

**Analysis provided for illustrative purposes only and is subject to revision.**

\*Discount percentile ranks based on the price-to-earnings ratio, price-to-book, price-to-cash earnings and price-to-forward earnings (next 12-months) of the MSCI EAFE Value Index relative to the MSCI EAFE Growth Index from June 1, 1999 through September 30, 2025

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB



For Investment Professional use only.

AB International Small Cap Equity

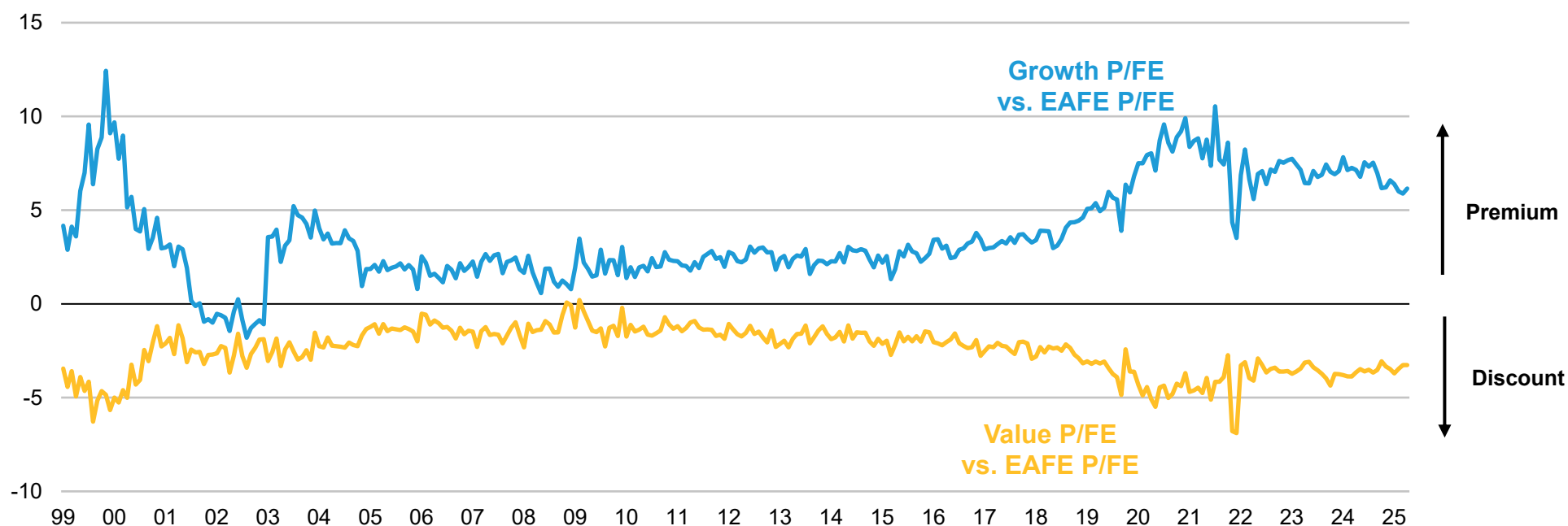
34

# The Global Stock Market Has Skewed Towards Growth Since Post GFC

Growth P/E remains high while Value P/E low

## MSCI EAFE Value vs. MSCI EAFE Growth

Price-to-forward earnings\* relative to MSCI EAFE Index



**Past performance and current analysis do not guarantee future results.**

\*Price-to-forward earnings (next 12-months) since June 1999.

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB

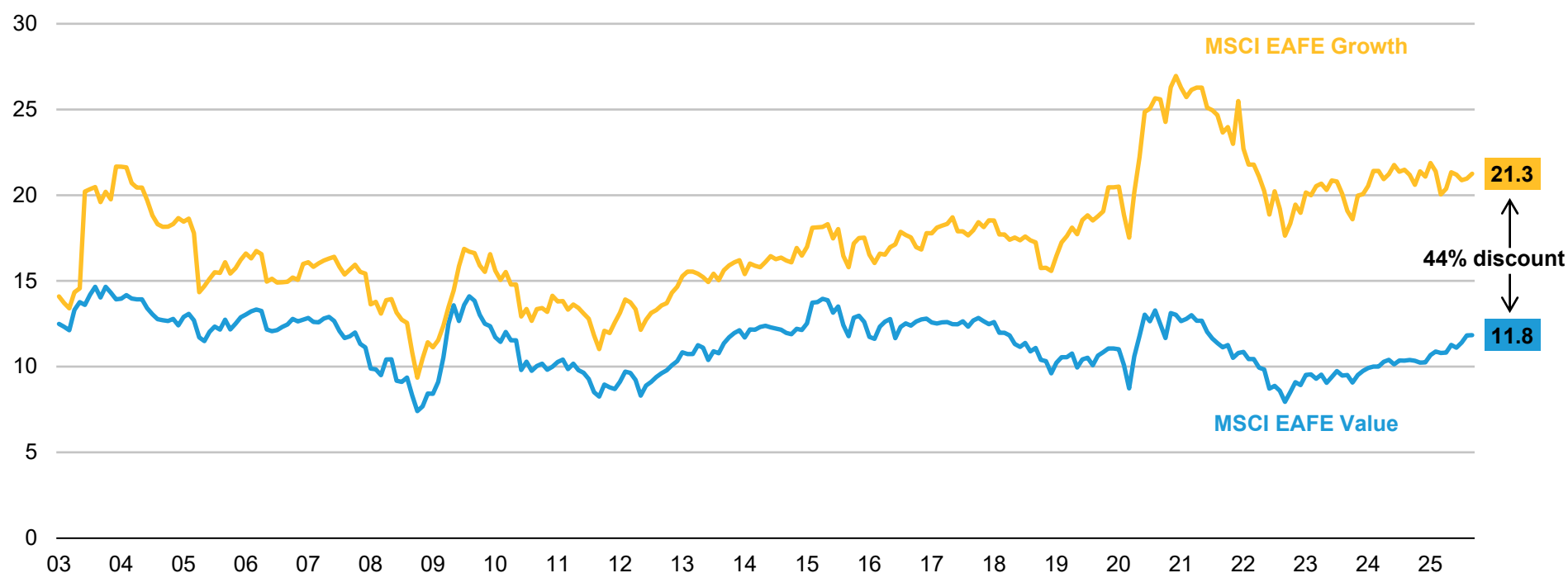


For Investment Professional use only.

# The P/E Spread Between Growth and Value Remains Wide

## MSCI EAFE Value vs. MSCI EAFE Growth

Price-to-forward earnings\*



**Past performance and current analysis do not guarantee future results.**

\*Price-to-forward earnings (next 12-months) since January 2003.

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB








For Investment Professional use only.

AB International Small Cap Equity

36



# Our Five Pillars of Investing

	<b>Cash Flow Focus</b>	Capture value risk premium with attractively priced cash flows because historically it improved risk and return. Invest in stocks with a strong cash flow metric based on conservative exit multiples
	<b>Concentrated Portfolio</b>	Focus on best ideas because we believe concentrated portfolios better capture fundamental research insights and, in our experience, outperform more diversified portfolios
	<b>Downside Capture</b>	Aim for downside capture of better than 100%. Employ behavioural finance to help avoid value traps, construct portfolios that align stock risk with return
	<b>Macro Risk Management</b>	Manage risk so that the key drivers of performance are the value risk premium and stock selection rather than macro factors
	<b>ESG</b>	Identify risks and opportunities of ESG factors on equity valuations

**There can be no assurances that investment objectives will be achieved.**

As of October 31, 2025

Source: AB



For Investment Professional use only.

AB International Small Cap Equity

37

# Team Bios



For Investment Professional use only.

AB International Small Cap Equity

38

# Investment Team Profiles

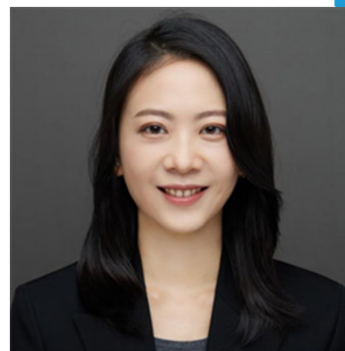


**Andrew Birse**

Chief Investment Officer—  
International Small Cap &  
European Value Equities

Andrew Birse was appointed Chief Investment Officer of European Value Equities in November 2022 after serving as portfolio manager of European Value Equities since March 2016. He has also served as Chief Investment Officer of International Small Cap Equities since 2021 and has managed the International Small Cap and European Small Cap Equities services since inception in 2014 and 2017, respectively. Prior to joining the firm as a research analyst in 2010, Birse spent seven years in the Corporate Finance Group at McKinsey & Company, working in the firm's London, Sydney and Auckland offices. He holds a BCom (honors) in finance and a BA in history and economics from the University of Auckland, and an MSc in economics and philosophy from the London School of Economics.

Location: Auckland, New Zealand



**Vivian Chen, CFA**

Portfolio Manager —  
International Small Cap Equities  
& Senior Research Analyst—  
Emerging Markets Equities

Vivian Chen is a Portfolio Manager for International Small Cap Equities since 2016. She is also a Senior Research Analyst on the Emerging Markets Equities team with a focus on technology companies in Asia ex Japan. Prior to joining the firm in 2012, Chen covered regional technology as an equity research analyst on the buy side and the sell side, most recently at Cavalry Asset Management and UBS Securities, Taiwan. She holds a BA in business administration from National Taiwan University and is a CFA charterholder.

Location: Taipei, Taiwan

# Disclosures and Important Information



For Investment Professional use only.

AB International Small Cap Equity

40

# Strategy Risks

The value of an investment can go down as well as up, and investors may not get back the full amount they invested. Past performance does not guarantee future results.

Some of the principal risks of investing include:

**Market Risk:** The market values of the investments may rise and fall from day to day, so investments may lose value.

**Currency Risk:** Currency fluctuations may have a large impact on returns, and the value of an investment may be negatively affected when translated into the currency in which the initial investment was made.

**Derivatives Risk:** The Portfolio may include financial derivative instruments. These may be used to obtain, increase or reduce exposure to underlying assets and may create gearing; their use may result in greater fluctuations of the assets under management.

**OTC Derivatives Counterparty Risk:** Transactions in OTC derivatives markets may have generally less governmental regulation and supervision than transactions entered into on organized exchanges. These will be subject to the risk that their direct counterparty will not perform its obligations and that the Portfolio will sustain losses.

**Overseas Assets Risk:** Investing in overseas assets may be more volatile because of political, regulatory, market and economic uncertainties associated with them. These risks are magnified in assets of emerging or developing markets.

**Systemic Risk:** Systemic risk is the risk of broad financial-system stress or collapse triggered by the default of one or more financial institutions, resulting in a series of defaults by other interdependent financial institutions.

**Turnover Risk:** A portfolio will be actively managed, and turnover may, in response to market conditions, exceed 100%. A higher rate of portfolio turnover increases brokerage and other expenses. High portfolio turnover may also result in the realization of substantial net short-term capital gains, which may be taxable when distributed.

**Leverage Risk:** The Portfolio may use derivatives or other financial instruments to gain exposure to investments exceeding its overall value. This may cause greater changes in the Portfolio's price, as it is more sensitive to market or interest-rate movements, and increase the risk of loss.

**Equities Risk:** The value of equity investments may fluctuate in response to the activities and results of individual companies or because of market and economic conditions. These investments may decline over short- or long-term periods.

**Smaller-Capitalization Companies Risk:** Investment in securities of companies with relatively small market capitalizations may be subject to more abrupt or erratic market movements because the securities are typically traded in lower volume and are subject to greater business risk.

**ESG Risk:** Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers based on ESG risk factors and therefore, the Fund may forgo some market opportunities available to funds that do not use ESG risk or sustainability criteria.



For Investment Professional use only.

AB International Small Cap Equity

## Disclosures and Important Information

## Important Information

Past performance is not a guide to future performance. The value of investments, and the income from them, can fall as well as rise, and you may not get back the original amount invested. The value of non-domestic securities may be subject to exchange-rate fluctuations.

This information is directed at Investment Professionals only and should not be relied upon by any other persons. It is provided for informational purposes only and is not intended to be an offer or solicitation, or the basis for any contract to purchase or sell any security, product or other instrument, or to enter into any type of transaction as a consequence of any information contained herein. The views and opinions expressed in this presentation are based on AlliancesBernstein's (AB) internal forecasts and should not be relied upon as an indication of future market performance or any guarantee of return from an investment in any AB services. The views and opinions expressed in this presentation are based on AlliancesBernstein's (AB) internal forecasts and should not be relied upon as an indication of future market performance or any guarantee of return from an investment in any AB services. The views and opinions expressed in this presentation are based on AlliancesBernstein's (AB) internal forecasts and should not be relied upon as an indication of future market performance or any guarantee of return from an investment in any AB services.

An investor cannot invest directly in an index, and index results are not indicative of the performance for any specific investment, including an AB fund. Indices do not include sales charges or operating expenses associated with an investment in a mutual fund, which would reduce total returns.

## Disclosure on Security Examples

References to specific securities are presented to illustrate the application of our investment philosophy only and are not to be considered recommendations by AllianceBernstein. The specific securities identified and described in this presentation do not represent all the securities purchased, sold or recommended for the Portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Upon request, we will furnish a listing of all investments made during the prior one-year period.

**Note to Readers in the US:** By providing this presentation, neither AllianceBernstein (AB) nor its employees have the responsibility or authority to provide, nor have provided, investment advice in a fiduciary capacity for the purposes of the Employee Retirement Income Security Act of 1974 (ERISA), or Section 4975 of the Internal Revenue Code of 1986 (the Code), in connection with any decision by you to engage AB to provide the services described in this presentation. AB has a financial interest in providing this presentation in that it will be compensated if it is engaged to provide the services described in this presentation. AB believes that you are either: (i) a fiduciary of the Plan and hold, or have under management or control, total assets of at least \$50,000,000; or (ii) a representative of a financial institution, and are capable of evaluating investment risk independently, both in general and with regard to particular transactions and investment strategies. By accepting this material, you are deemed to have confirmed the above information.

This presentation is provided by AllianceBernstein L.P. This presentation booklet has been provided to you for use in a private and confidential meeting to discuss a potential or an existing investment-advisory relationship. This presentation is not an advertisement and is not intended for public use or distribution beyond our private meeting.

Note to Readers in the United Kingdom and Europe: For investment Professional use only. Not for inspection by, distribution or quotation to, the general public.

**Note to Readers in Europe:** Issued by AllianceBernstein (Luxembourg) S à r.l. Société à responsabilité limitée, R.C.S. Luxembourg B 34 305, 2-4, rue Eugène Ruppert, L-2453 Luxembourg. Authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

**Note to Readers in the United Kingdom:** Issued by AllianceBernstein Limited, 60 London Wall, London, EC2M 5SJ. Registered in England, No. 2551144. AllianceBernstein Limited is authorised and regulated in the UK by the Financial Conduct Authority (FCA).

**Note to Readers in Switzerland:** This information is directed at Qualified Investors only. Issued by AllianceBernstein Schweiz AG, Zürich, a company registered in Switzerland under company number CHE-306.220.501. AllianceBernstein Schweiz AG is a financial services provider within the meaning of the Financial Services Act (FinSA) and is not subject to any prudential supervision in Switzerland. Further information on the company, its services and products, in accordance with Art. 8 FinSA, can be found on the Important Disclosures page at [www.alliancebernstein.com](http://www.alliancebernstein.com).

Disclosures page at [www.alliancebernstein.com](http://www.alliancebernstein.com).



**For Investment Professional use only.**

# AB GIPS Report

## International Small Cap Composite (in US dollars)

Period	Composite Assets (USD Millions)	Composite Accounts at End of Period	Gross Return (%)	Net Return (%)	Internal Composite Dispersion (%)	Composite 3-Year Ann. ex Post Standard Deviation (%)	Benchmark 3-Year Ann. ex Post Standard Deviation (%)	Total Firm Assets (USD Billions)	MSCI ACWI ex USA SMALL CAP (Net) Unhedged to USD Return (%)
2024	2,504.4	5	9.27	8.19	0.27	17.86	16.81	663.8	3.36
2023	2,959.9	5	13.43	12.30	0.41	17.72	16.98	615.1	15.66
2022	2,995.3	5	-20.04	-20.84	0.20	23.14	22.73	545.4	-19.97
2021	1,818.8	5	12.36	11.25	0.70	20.03	19.86	684.8	12.93
2020	1,602.4	5	7.80	6.73	0.07	20.99	20.98	611.0	14.24
2019	1,186.7	3	22.00	20.79	0.03	12.21	11.61	574.4	22.42
2018	835.4	2	-15.33	-16.17	0.01	12.53	12.34	473.5	-18.20
2017	875.6	2	41.62	40.21	NM	12.37	11.53	512.9	31.65
2016	265.8	1	6.77	5.72	NM	NA	NA	444.5	3.91
2015	41.4	1	2.51	1.50	NM	NA	NA	432.1	2.60
3 Years*			-0.30	-1.29					-1.47
5 Years*			3.72	2.69					4.30
10 Years*			6.75	5.70					5.66

NM: not meaningful, fewer than two accounts were included in the Composite for the full period

NA: not applicable, less than minimum time period

\*Annualized through most recent year-end

**Presentation of the Firm:** AllianceBernstein L.P. ("ABLP") is a registered investment advisor with the US Securities and Exchange Commission. AB Institutional Investments and AB Investments (collectively, the "Firm") are the institutional and retail sales, marketing, and client service units of ABLP. In February 2006, Alliance Capital Management L.P. changed its name to ABLP.

**Compliance Statement:** The Firm claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods from January 1, 1993, through December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firmwide basis. Verification does not provide assurance on the accuracy of any specific performance report.

**Composite Description:** The performance results displayed herein represent the investment performance record for the International Small Cap Composite (the "Composite"). The Composite includes all fee-paying discretionary accounts and, when applicable, pooled investment vehicles. The Composite consists of accounts that invest primarily in small-capitalization stocks based in developed and emerging markets outside the United States and that seek a long-term premium relative to their benchmark. The creation date of this Composite is April 2014 and the inception date is February 28, 2014.

For the performance period presented, Investment Professionals may have changed or departed, none of which in the Firm's view have altered the Composite's strategy.

Accounts in the Composite may utilize derivative contracts including, but not limited to, swaps, swaptions, options, futures, options on futures and currency transactions for risk-management purposes or for enhancing expected returns by adjusting exposure to the markets, sectors, countries, currencies or specific securities permitted by these guidelines. The impact of all derivatives is fully incorporated into the calculation of risk and return, and the use of derivatives shall not violate the investment guidelines that limit exposure to markets, sectors, countries, currencies or specific securities. Investment in non-exchange-traded (over-the-counter) derivatives exposes the accounts within the Composite to counterparty risk.

A complete list including composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds managed by the Firm is available upon request. Additional information regarding policies for valuing investments, calculating performance and preparing GIPS reports is also available upon request via email to [compositerequests@alliancebernstein.com](mailto:compositerequests@alliancebernstein.com).

**Total Return Methodology and Fee Structure:** Performance figures in this presentation have been presented gross and net of model investment-management fees. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. The Composite may contain mutual funds with share classes that incur higher management fees. The current investment advisory fee schedule applicable for this Composite is as follows:

### Segregated Account

1.00% on the first 25 million in USD  
0.85% on the next 25 million in USD  
0.75% on the next 50 million in USD  
0.65% on the balance

### AB DBT-Fundamental International Small Cap Series

0.90% on the first 25 million in USD  
0.85% on the next 25 million in USD  
0.75% on the next 50 million in USD  
0.65% on the balance  
Highest annual expense ratio = 1.05%

**Rate of Return:** No representation is made that the performance shown in this presentation is indicative of future performance. An account could incur losses as well as generate gains. Performance figures for each account are calculated monthly on a trade-date basis using a total rate-of-return calculation. Investment transactions are recorded on a trade date basis, and interests and dividends are recorded on accrual basis, net of withholding taxes, if applicable. Investments in securities are valued in accordance with the Firm's Valuation Policies and reflect a good faith estimate of fair value levels for all investments, which may not be realized upon liquidation. The fair valuation process requires judgment and estimation by the Firm. The gross-of-fee returns reflect the deduction of trading costs. Account returns are net of foreign withholding taxes. The benchmark returns are net of withholding taxes from a Luxembourg tax perspective. The Composite returns are calculated based on the asset-weighted monthly composite constituent account returns where the weight is the beginning fair value of the accounts.

**Dispersion:** Internal dispersion is calculated using the asset-weighted standard deviation of gross-of-fee return for all accounts included in the Composite for the entire year; it is not presented for periods less than one year or when there were fewer than two accounts in the Composite for the entire year. The three-year annualized ex post standard deviation measures the variability of the Composite's gross-of-fee return and the benchmark returns over the preceding 36-month period; it is not presented for periods of less than three years.

The benchmark is the MSCI ACWI ex USA SMALL CAP (Net) Unhedged to USD.

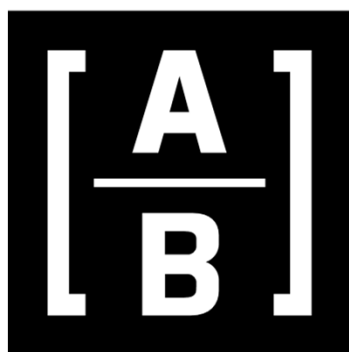
GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.



For Investment Professional use only.

AB International Small Cap Equity

43



**ALLIANCEBERNSTEIN®**

The [A/B] logo and AllianceBernstein® are registered trademarks used by permission of the owner, AllianceBernstein L.P.

© 2025 AllianceBernstein L.P. [www.alliancebernstein.com](http://www.alliancebernstein.com)

IMA-817869-2025-10-10  
ICN20251402



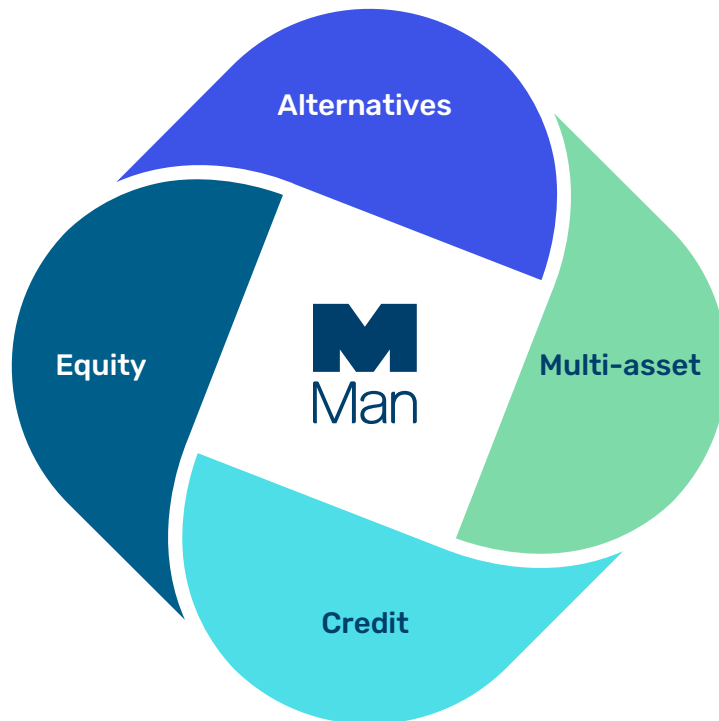
JANUARY 2026

# Los Angeles Fire and Police Pension System

Numeric International Small Cap Strategy

# Overview of Man Group

Man Group is a global alternative investment management firm focused on pursuing outperformance for sophisticated clients via our Systematic, Discretionary and Solutions offerings.



**\$213.9bn**

Assets Under  
Management

**45%**

Assets in  
Alternatives

**55%**

Assets in  
Long-only

**450+**

Investment Professionals

**650+**

Systematic Researchers  
and Technologists

**\$8.2tn**

Notional Traded Globally<sup>1</sup>

**150+**

Actively Managed Strategies

# Man Numeric Assets: USD 77.9 Billion<sup>1</sup>

## As of September 30, 2025

Emerging Markets Equity	Total Assets (USD mm)
Emerging Markets Alpha (130/30)	2,439
Emerging Markets Core	9,337
Emerging Markets ex China	215
Emerging Markets Small Cap	1,413
China	29

Global Equity	Total Assets (USD mm)
Global Core	7,711
Global Core ESG	3,234
Global Core ex Japan	1,240
Global ex Japan ESG +	122
Global Core Sharia	178
Global Small Cap	464
Long Term Alpha	586

ACWI/ACWI ex-US Equity	Total Assets (USD mm)
ACWI Beta +	19,257
ACWI Core	1,814
ACWI RI Climate Beta +	6,121
ACWI ex US SMID	332
ACWI 130/30	30

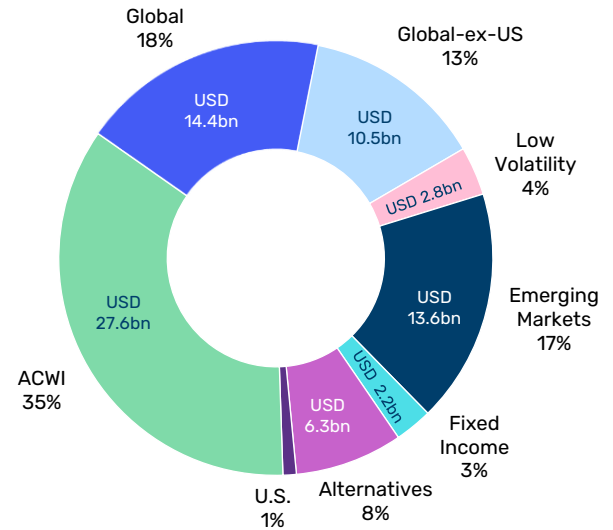
Global ex-US Equity	Total Assets (USD mm)
Global ex-US/EAFE Core	2,052
Global ex US 170/70	2,288
International Alpha (130/30)	1,224
International Small Cap	1,258
Europe Core	1,564
Japan Core	985
Japan Large Cap	631
Australia	506

U.S. Equity	Total Assets (USD mm)
Core	346
Long Term Alpha	427

Low Volatility Equity	Total Assets (USD mm)
Global Low Volatility	1,863
Global ex US Low Volatility	347
EAFE Low Volatility	408
Emerging Markets Low Volatility	148
Europe Low Volatility	25
Global ex Japan Low Volatility	48

Alternatives	Total Assets (USD mm)
Liquid Alpha	4,582
Quantitative Alpha	736
Defensive Equities	124
Portable Alpha/Custom	340
*Alts Gross Market Exposure	~25,000+

Fixed Income	Total Assets (USD mm)
US High Yield Credit	562
Global High Yield Credit	467
US Investment Grade Credit	170
Global Investment Grade Credit	349
Credit Long/Short	224
Global Agg/Core Plus	605
Short Duration	24
US Treasuries	12



### Additional Strategies with internal seed capital

- EM Beta+
- IP Alpha
- US Small Cap Core
- Liquid Private Equity
- Decarbonization Beta +

ESG integration may vary across funds and strategies offered by Man Numeric. 1. As of September 30, 2025. Man Numeric firm Total Assets excludes approximately USD 1.8 billion in leveraged assets. Total Assets combines both Assets Under Management and Assets Under Advisement. Assets Under Management represent the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have decision making or trading authority over the assets.

# Man Numeric Team Structure<sup>1</sup>

## Numeric Management Committee

**President and Chief Executive Officer**  
Greg Bond (24)

**Chief Investment Officer**  
Dan Taylor (26)

**Chief Operating Officer**  
Heidi Roderick (20)  
**Team of 3**

**Director of Portfolio Management**  
Ori Ben-Akiva (30)

**Director of Alternatives**  
Jay Rajamony (23)

**Head of Numeric Alpha Technology**  
Tom Taylor (19)

**Investment Committee**

**Director of Research**  
Ed Fang (20)

## Dedicated Man Numeric Investment & Business Support: 59



### Equity<sup>2</sup>

Jeremy Wee (27)  
Mickael Nouvellon (20)

**Team of 12**

### Alternatives

Joe Schirripa (26)  
Andrew Kindman (13)

**Team of 7**

### Credit

Rob Lam (16)  
Paul Kamenski (13)

**Team of 5**

### Research<sup>3</sup>

Chao Xia (7)  
Diana Zheng (7)

**Team of 19**

### CPM

Jason Moore (24)  
John Lidington (19)

**Team of 5**

## Man Group Central Resources: 1300+



### Technology

**472**

### Data Science

**24**

### Trading

**36**

### Financial Risk

**28**

### Responsible Investment

**11**

1. As of September 30, 2025. 2. Includes an employee of Man Investment Management (Shanghai) Co, Ltd, who provides research and investment analysis to Man Numeric's Equities team. 3. Includes employees of Man Group UK Limited – Bulgaria Branch, who provide research and investment analytics to Man Numeric. 4. Technology represents full Man Group Technology team. (x) Number in brackets indicates years of industry experience. Non-investment activities are performed centrally within Man Group including sales, structuring, legal and compliance, and information technology functions.



## Our foundational beliefs

- Market inefficiencies exist and can be harvested systematically
- Disciplined implementation of quantitative models can deliver differentiated risk adjusted returns
- Research and technology innovation critical to investment success

## Key components of investment success



### Robust Alpha Signals

- Innovation
- Academic+
- Intuitive and repeatable



### Rigorous Process

- Proprietary Portfolio Construction
- Integrated Risk Management
- Leading Execution Capabilities



### Continuous Evolution

- Data and Data Science
- Technology
- Diverse Skill Sets

# Investment Process Overview

Delivering differentiated alpha requires rigor across the entire investment process

Powered by Continuous Research



## Alpha Construction

- Diversified models
- Updated multiple times daily
- Risk-adjusted for structural biases
- Low correlation to common factors

## Portfolio Optimization

- Integrated one-step optimization process
- Alpha / liquidity / transaction costs
- Dynamic proprietary risk model
- Macroeconomic constraints

## Trading

- Global team, local presence
- Robust transaction cost models
- Proprietary trade routing and execution algorithms
- Dedicated execution research team

# Core Alpha Model Framework

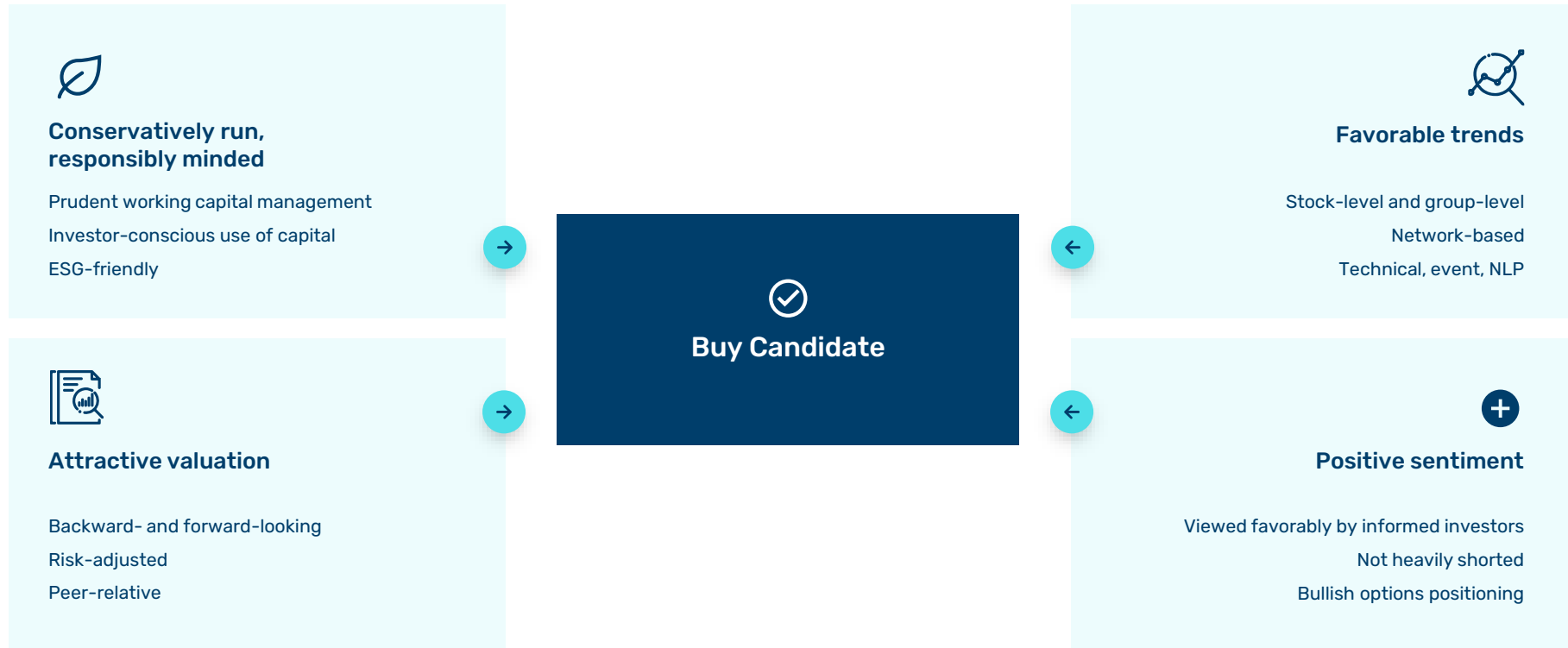
Diversified suite of Academic+ and Innovation alpha models

- Comprehensive combined signal
- Unique score for every company
- Risk budgeted and conviction weighted
- Industry-specific models
- Controlled for common factor risk



# The Types of Companies/Securities We Invest In

## Diverse drivers of alpha





# Portfolio Characteristics – Current Guidelines

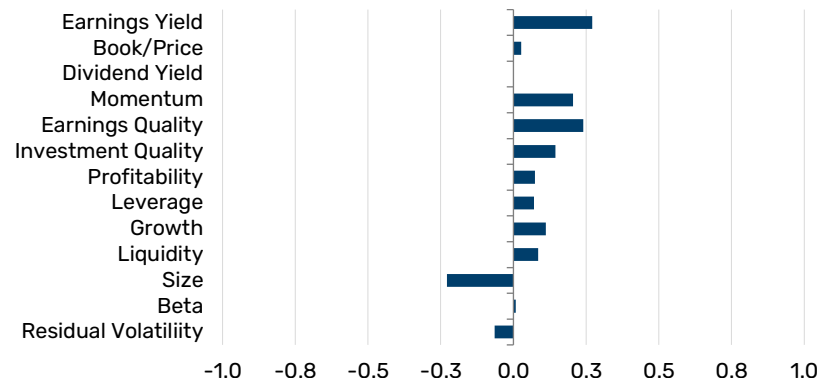
## Numeric International Small Cap

As of September 30, 2025

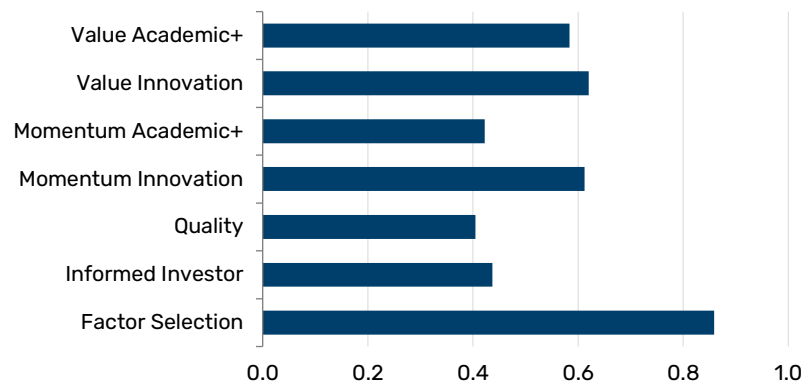
Specification	Objective
Universe	World ex-U.S. Small Cap universe
Benchmark	MSCI World ex US Small Cap®
Sector Constraints	±1.5% of benchmark <sup>1</sup>
Industry Constraints	±3.0% of benchmark <sup>1</sup>
Country Constraints	±3.0% of benchmark <sup>1</sup>
Max Position Size	Benchmark +0.70% <sup>1</sup>

	Numeric International Small Cap ("Int'l Small Cap")	MSCI World ex-U.S. SC®
P/E	12.9x	15.0x
P/B	1.5x	1.5x
ROE	11.9%	10.3%
Dividend Yield	2.6%	2.8%
No. of Holdings	381	2201
Active Share	84.5%	-
Market Cap (wtd average)	\$3.0 Billion	\$4.0 Billion

### Active Barra Factor Exposure



### Active Numeric Model Exposure

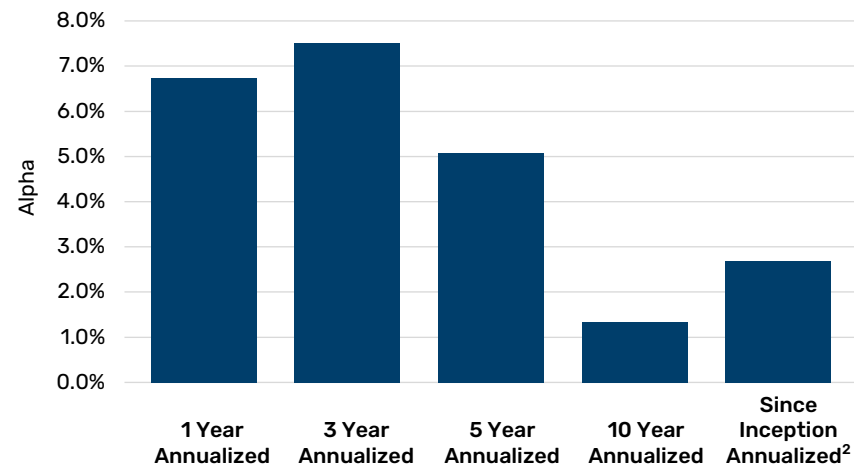


1. The specifications provided above are for illustrative purposes only and may be subject to change at the discretion of the portfolio manager. Man Numeric believes the benchmark listed is most representative of the strategy's universe. The volatility of the indices shown may be materially different from the individual performance attained by a specific investor. In addition, the strategy's holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. Source: Numeric Investors LLC; Bloomberg.

# Net Composite Performance Summary<sup>1</sup>

## Numeric International Small Cap

As of September 30, 2025



	1 Year Annualized	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception Annualized <sup>2</sup>
Portfolio	26.09%	27.50%	14.32%	9.63%	9.65%
Benchmark	19.35%	19.98%	9.24%	8.29%	6.97%
Alpha	6.74%	7.52%	5.08%	1.34%	2.68%
Tracking error:	2.71%	2.63%	2.70%	3.03%	3.25%

	Numeric International Small Cap Composite (Gross)	Numeric International Small Cap Composite (Net)	Custom MSCI World Ex-U.S. Small Cap® Index	Relative Return (Gross)	Relative Return (Net)
2011	-10.84%	-11.65%	-15.94%	5.10%	4.29%
2012	26.28%	25.17%	20.00%	6.28%	5.16%
2013	40.04%	38.82%	28.14%	11.90%	10.68%
2014	-2.52%	-3.40%	-5.34%	2.82%	1.95%
2015	11.56%	10.57%	5.46%	6.10%	5.11%
2016	4.25%	3.26%	4.32%	-0.06%	-1.05%
2017	34.96%	33.78%	31.04%	3.93%	2.75%
2018	-21.76%	-22.48%	-18.07%	-3.69%	-4.40%
2019	24.98%	23.88%	25.41%	-0.43%	-1.53%
2020	6.32%	5.40%	12.78%	-6.46%	-7.38%
2021	15.74%	14.77%	11.14%	4.60%	3.63%
2022	-16.01%	-16.73%	-20.59%	4.58%	3.86%
2023	17.99%	17.00%	12.62%	5.36%	4.38%
2024	14.37%	13.42%	2.76%	11.61%	10.65%
2025 YTD	34.81%	33.98%	29.54%	5.27%	4.44%
Since Inception (Annualized) <sup>2</sup>	10.63%	9.66%	6.98%	3.65%	2.68%

Strategy AUM: USD 1,257 million

Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations.

1. Returns are based on the performance of only unrestricted accounts within each strategy. Returns of accounts with client restrictions may differ. The return data shown above is based on preliminary performance for the most recent month and is subject to change. Man Numeric calculates the net-of-fee composite return by applying the maximum applicable management fee ('maximum fee') to the gross-of-fee composite return. This maximum fee may consist of a base fee plus a performance fee in those years when the composite outperforms its benchmark. The maximum management fee schedule for the Numeric International Small Cap composite is 0.85% of assets under management. The highest management fee prior to July 2020 was 0.90%. To the extent fund vehicles are part of the strategy composite, the fund returns are gross of certain expenses including but not limited to custody fees, administration fees and professional expenses. Man Numeric believes the benchmark listed is most representative of the strategy's universe. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. 2. Inception: January 1, 2011. Source: Numeric Investors LLC; Bloomberg.

# Key Differentiators - Why Man Numeric?



Boutique culture,  
big firm  
infrastructure



Innovation-  
focused,  
research-driven



Idiosyncratic  
alpha beyond  
common factors



Time-tested  
process;  
experienced  
team



Bespoke  
client  
solutions

## Appendix



# Man Group Attendees Today

## Experience



**Nina Gnedin**  
**Portfolio Manager**

Nina Gnedin is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Nina joined Man Numeric in 2017 as a quantitative researcher on the Strategic Alpha Research team. Prior to joining Man Group, Nina worked in investment banking at JP Morgan Chase. Nina received a bachelor's degree in economics and mathematics from the University of Chicago and a master's degree in finance and data science from Princeton University.



**Tyler Sauer**  
**Director, US Institutional Sales**

Tyler Sauer is a Director at Man Group, focused on institutional business development and client relationship efforts in the Western United States. He joined Man Group in April 2022. Before joining Man Group, Tyler held client facing roles at PGIM Quantitative Solutions, Allianz Global Investors, and RS Investments. He holds a bachelor's degree in Finance from The University of Alabama.

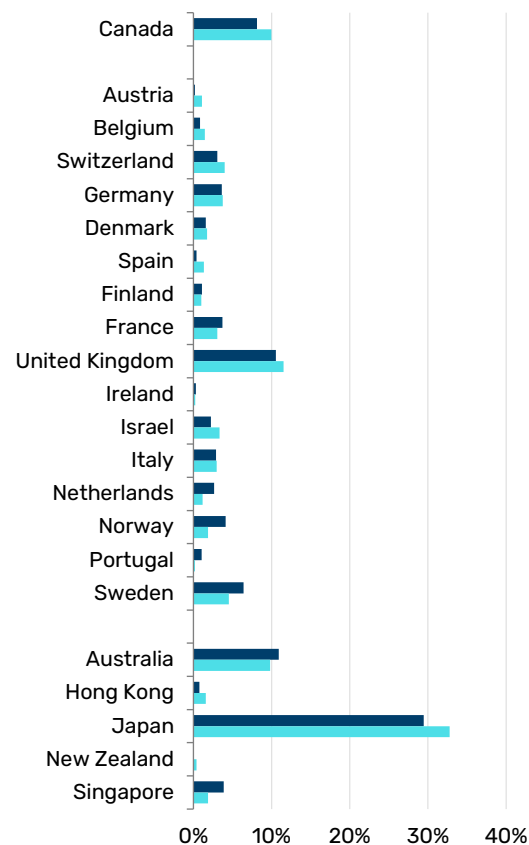
# Portfolio Characteristics – Current Guidelines

## Numeric International Small Cap

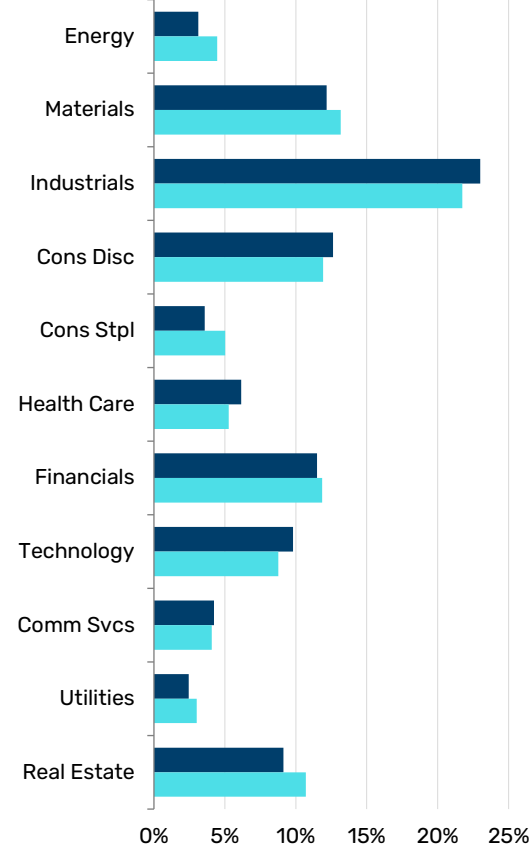
As of September 30, 2025

■ Int'l Small Cap ■ MSCI World ex-U.S. SC

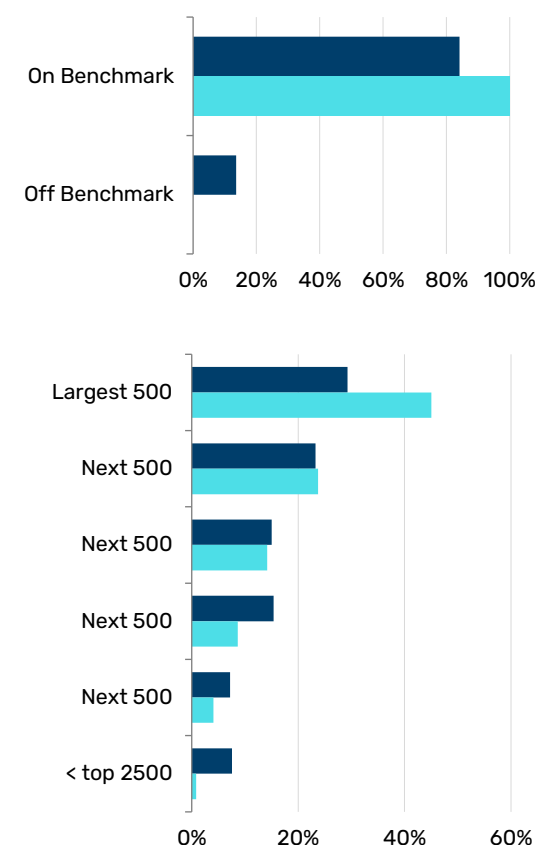
### Country Exposure



### Sector Exposure



### Capitalization Exposure



1. The specifications provided above are for illustrative purposes only and may be subject to change at the discretion of the portfolio manager. Man Numeric believes the benchmark listed is most representative of the strategy's universe. The volatility of the indices shown may be materially different from the individual performance attained by a specific investor. In addition, the strategy's holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. Source: Numeric Investors LLC; Bloomberg.

# Man Numeric ESG Modelling

Broad based approach supplemented by specialised factors

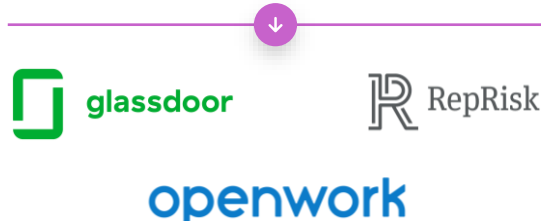
## Broad based ESG factors



### Broad based factors that take a multiple perspective ESG view

- Principles-based approach that focuses on data and academic research, rather than datamining factors
- Unbiased multiple perspective view of ESG utilising multiple vendors
- Created a fundamentally-based framework centred around 14 key pillars
- Advance data science techniques to properly transform, categorise, weight and combine ESG factors
- Country, industry and risk adjustments

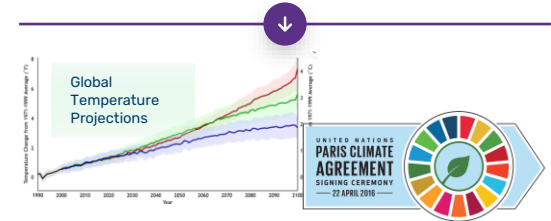
## Specialised ESG models



### Specialised models focused on specific ESG themes

- ESG Incident Prediction Model
- Glassdoor – Employee company ratings
- Openwork – Japan employee review

## Climate models



### Focus on Physical Impact, Transition Impact and Climate Opportunity

- Physical Impact: intrinsic location-specific demand & supply impacts from climate change
- Transition Impact: hidden costs & incentives induced by climate policy
- Opportunity: mispriced innovators & adaptors in economic shift

## ESG Combo Model

ESG integration and use of the ESG model may vary across funds and strategies offered by Man Numeric.

# Executive Management Experience



**Gregory Bond, CFA**  
**President and Chief Executive Officer, Man Numeric, Head of the Americas, Man Group**

Gregory ('Greg') Bond is the President and CEO of Man Numeric and Head of the Americas of Man Group. He also serves on the Man Group Executive Committee and the Man Numeric Investment Committee. Previously, Greg was director of research at Man Numeric, responsible for research initiatives, including the day-to-day management of Man Numeric's strategic alpha research team. Prior to joining Man Numeric in 2003, Greg worked as a research associate for Professor Michael E. Porter at Harvard Business School. Greg holds a Bachelor of Arts degree in economics and in biology, magna cum laude, from Yale University and a Master of Business Administration degree from Harvard Business School with distinction. He is a CFA® charterholder.



**Daniel Taylor, CFA**  
**Chief Investment Officer**

Daniel ('Dan') Taylor is CIO of Man Numeric. He also serves on the Man Numeric Investment Committee. Dan has had multiple roles at Man Numeric since joining as an intern in 1998, including director of small cap strategies, head of hedge fund strategies, and senior member of Man Numeric's strategic alpha research team. During his tenure at Man Numeric, Dan has conducted a wide range of research, including areas such as momentum, earnings quality, valuation, investor behavior, and market timing. Dan holds a Bachelor of Arts degree in economics with honors from Harvard University. He is also a CFA® charterholder.



**Heidi Roderick**  
**Chief Operating Officer**

Heidi Roderick is the Chief Operating Officer at Man Numeric. She is responsible for all operation oversight and is a member of Man Numeric's Management and Operating Committees. She is also a member of Man Group's Systematic Steering Committee. Heidi has also served as a strategic initiatives project manager at Man Numeric and previously worked in the Technology team supporting projects and daily operations. Prior to joining Man Group in 2007, Heidi worked for Fidelity Investments. Heidi received a Bachelor of Business Administration in finance, with minor in economics from the University of Massachusetts at Amherst. She is a member of the Project Management Institute and a director of the Man US Charitable Foundation.



**Ori Ben-Akiva**  
**Director of Portfolio Management**

Ori Ben-Akiva is the Director of Portfolio Management at Man Numeric. He provides oversight of Man Numeric's equity and credit strategies, in addition to the client portfolio management team. Ori also serves on Man Numeric's Investment and Management Committees and is also a member of Man Group's Systematic Steering Committee. Previously, Ori spearheaded the development and launch of the emerging market strategies. Prior to joining Man Numeric in 1998, he was a portfolio analyst at The Oak Group, LP, a Chicago-based hedge fund investment manager. Ori received a bachelor's degree in economics from the University of Chicago.



**Jayendran Rajamony, PhD, CFA**  
**Director of Alternatives**

Jayendran ('Jay') Rajamony is the Director of Alternatives at Man Numeric and serves on Man Numeric's Investment and Management Committees. He is also a member of Man Group's Systematic Steering Committee. Previously, Jay managed world market neutral and US small cap strategies, served on the strategic alpha research team and developed low volatility products at Man Numeric. Prior to joining Man Numeric in 2004, he worked at Independence Investments in Boston as a quantitative analyst. Jay received a Bachelor of Technology degree in Naval Architecture from the Indian Institute of Technology in Kharagpur, India, a Master of Business Administration degree with distinction from Cornell University, and a doctorate degree in Physical Oceanography from the University of Rhode Island. He is a member of the CFA Institute and the CFA Society Boston. Jay is a CFA® charterholder.



**Ed Fang, PhD, CFA**  
**Director of Research**

Ed Fang is the Director of Research at Man Numeric and serves on Man Numeric's Investment and Management Committees. He is also a member of Man Group's Systematic Steering Committee. Prior to his current role, Ed has been overseeing day-to-day firm-wide research at Man Numeric in his capacity as the Deputy Director of Research since 2016. Ed joined Man Numeric in 2005 and has been actively engaged in a broad spectrum of research, ranging from bottom-up alpha models to top-down dynamic asset allocation. He has also been responsible for developing multiple innovation portfolios within Man Numeric's absolute return and alternative risk premium strategies. Ed received a Bachelor of Science degree with honors in Economics and Management Information Science from Fudan University in China. He also received a doctorate degree in financial economics from Duke University. Ed is a CFA charterholder.



# Portfolio Management Experience



**Jeremy Wee, CFA**  
**Senior Portfolio Manager**

Jeremy Wee is a senior portfolio manager at Man Numeric. He leads the day-to-day management of the US and global portfolios and assists in managing other strategies. Jeremy also conducts research on model and process improvements for these strategies. He is also a member of the Man Group Responsible Investment Committee. Prior to joining Man Numeric in 2014, he was a portfolio manager at Batterymarch Financial Management for emerging markets and global managed volatility strategies. Prior to that, Jeremy held portfolio management and quantitative research roles at Blackstone and Citigroup Asset Management. Jeremy received a bachelor's degree in computer engineering from the University of Michigan and an MBA from the Massachusetts Institute of Technology Sloan School of Management. Jeremy is a CFA® charterholder.



**Mickael Nouvellon, CFA**  
**Senior Portfolio Manager**

Mickael Nouvellon is a senior portfolio manager at Man Numeric. He leads the day-to-day management of emerging markets and Asia portfolios and assists in managing other strategies within the group. Mickael is also involved in the research efforts of the group to improve the processes and models used by the team. Prior to joining Man Numeric in 2014, Mickael was a portfolio manager at Disciplined Alpha and in the Canadian Active and Global Enhanced groups at State Street Global Advisors. Mickael received a bachelor's degree in economics and a master's degree in computational finance from the University of Montreal, as well as a French degree in engineering from the National School of Statistics and Information Analysis. He is also a CFA® charterholder.



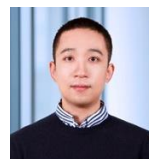
**Nina Gnedin**  
**Portfolio Manager**

Nina Gnedin is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Nina joined Man Numeric in 2017 as a quantitative researcher on the Strategic Alpha Research team. Prior to joining Man Group, Nina worked in investment banking at JP Morgan Chase. Nina received a bachelor's degree in economics and mathematics from the University of Chicago and a master's degree in finance and data science from Princeton University.



**Valerie Xiang**  
**Portfolio Manager**

Valerie Xiang is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Prior to joining Man Numeric in 2019, Valerie worked at Panagora and Citigroup Global Markets. Valerie received a bachelor's degree in economics from Fudan University and Masters' degree in finance from Massachusetts Institute of Technology.



**Hannan Zheng**  
**Senior Portfolio Analyst**

Hannan Zheng is a senior portfolio analyst at Man Numeric. He joined Man Numeric in 2022. Prior to joining Man Group, he was a data analyst at Fidelity Investments. Hannan received a bachelor's degree in finance from Xiamen University, a master's degree in math finance from Boston University and a doctorate degree in math finance from Boston University.

# Numeric International Small Cap Disclosure

As of December 31, 2024

	Absolute Returns			Relative Returns <sup>2</sup>		3 Yr Ann Standard Deviation		Number of Portfolios	Dispersion Internal Asset Wtd.	Composite Assets		
	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Benchmark Return (%)	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Composite	Benchmark			End of Period (\$mm)	% of Firm Assets	Firm Assets (\$bn)
2014	-2.52%	-3.40%	-5.34%	2.82%	1.95%	14.01%	13.61%	≤5	n/a	315.68	1.89%	16.70
2015	11.56%	10.57%	5.46%	6.10%	5.11%	11.57%	11.69%	≤5	n/a	306.80	1.60%	19.23
2016	4.25%	3.32%	4.32%	-0.06%	-0.99%	11.09%	12.49%	≤5	n/a	230.37	0.98%	23.56
2017	34.96%	33.78%	31.04%	3.93%	2.75%	10.50%	11.69%	≤5	n/a	363.36	1.16%	31.45
2018	-21.76%	-22.48%	-18.07%	-3.69%	-4.40%	12.80%	12.73%	6	0.13%	841.10	2.80%	29.99
2019	24.98%	23.88%	25.41%	-0.43%	-1.53%	12.75%	11.93%	≤5	n/a	1,073.35	3.42%	31.43
2020	6.32%	5.40%	12.78%	-6.46%	-7.38%	23.00%	21.08%	≤5	n/a	924.35	3.27%	28.23
2021	15.74%	14.77%	11.14%	4.60%	3.63%	22.09%	20.02%	≤5	n/a	792.54	2.16%	36.76
2022	-16.01%	-16.73%	-20.59%	4.58%	3.86%	25.03%	23.30%	≤5	n/a	674.67	2.12%	31.83
2023	17.99%	17.00%	12.62%	5.36%	4.38%	18.42%	18.21%	≤5	n/a	684.88	1.84%	37.32
2024	14.37%	13.42%	2.76%	11.61%	10.65%	18.25%	18.45%	≤5	n/a	774.52	2.09%	37.12
Cum (SI)	229.04%	190.94%	108.77%	120.27%	82.16%							
Ann (SI)	8.87%	7.92%	5.39%	3.48%	2.53%							

Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations.

1. Composite inception date January 01, 2011. 2. Relative Returns are provided as supplemental information. These reference the gross and net of fee absolute returns reduced by the return of the International Small Cap BM, respectively. More information on how this composite was constructed is available on the next page.

# Numeric International Small Cap Disclosure

1) Numeric Investors LLC (Numeric) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Numeric has been independently verified for the periods January 1, 2001 through December 31, 2024. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

2) Numeric Investors L.P. was founded in 1989 and reorganized in 2004 as Numeric Investors LLC ("Numeric"). In September 2014, Numeric was partially acquired by Man Group plc ("Man"). In September 2019, Numeric became a wholly-owned indirect subsidiary of Man. Man is a global independent asset manager headquartered in London. Man has four main investment divisions: AHL/MSS, GLG, FRM, and Numeric. Numeric is an investment adviser registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Numeric is a commodity pool operator registered with the U.S. Commodity Futures Trading Commission and a member of the National Futures Association. The firm is defined as all portfolios managed by Numeric.

3) For inclusion in the composite, an account must have a minimum market value of \$1,000,000. If there is a significant cash flow in an account in the composite, where significant is defined as a cash flow greater than 10% of the portfolio's prior month-ending market value, the performance for that account is excluded from the composite for the entire month in which the cash flow occurred. This treatment is applied for cash flows occurring only after June of 2013 in accordance with GIPS. If cash is not completely invested in the case of inflows or divested in the case of outflows during the month of the cash flow, the performance for prior or the subsequent month will also be excluded from the composite.

4) The Numeric International Small Cap Composite was created in January of 2011. The preferred benchmark for the composite is a custom index that links the MSCI EAFE Small Cap from inception through August 2013 to the MSCI World ex US Small Cap Index from September 2013 forward. The change is due to the addition of Canada to the universe at that time. The universe for the strategy is primarily but not exclusively based on this index. Valuations are computed and performance is reported in US dollars. On average the portfolios in this composite will hold approximately 300-450 long securities.

5) Gross-of-fee composite return is presented before management and custodial fees but after all trading expenses. Performance is net of withholding taxes on dividends, interest, and capital gains. These taxes can be a combination of reclaimable and non-reclaimable withholding taxes.

6) Numeric calculates the net-of-fee composite return by applying the maximum applicable management fee ("maximum fee") to the gross-of-fee composite return. This maximum fee may consist of a base fee plus a performance fee in those years when the composite outperforms its benchmark. The maximum management fee schedule for the Numeric International Small Cap composite is 0.85% of assets under management. The highest management fee prior to July 2020 was 0.90%. Performance fees, if applicable, are modeled and computed for Global Investment Performance Standards (GIPS®) report purposes once per year at each calendar year end. Where applicable, the net-of-fee composite return does not reflect the deduction of an administrator fees or expenses for any account that has charged such a fee. The net-of-fee composite returns would be lower than those presented if such administrator fee were deducted. Generally, these expenses should not exceed 0.50%.

7) Relative return is a benchmark relative performance figure which equals the absolute return less the benchmark return for the given period.

8) Internal dispersion is calculated using the asset - weighted standard deviation of the annual gross returns of those portfolios that were included in the composite for the entire year. Where there are five or fewer portfolios in the composite for the full year, internal dispersion is not applicable.

9) The three year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 month period. If 3 years of returns are not available standard deviation is not presented.

10) Policies for valuing portfolios, calculating performance, preparing GIPS® reports, list of Numeric composite descriptions, a list of Numeric limited distribution pooled fund descriptions, and a list of Numeric broad distribution pooled funds is available upon request.

# Important Considerations

One should carefully consider the risks associated with investing, whether the strategy suits your investment requirements and whether you have sufficient resources to bear any losses which may result from an investment:

**Investment Objective Risk** - There is no guarantee that the Strategy will achieve its investment objective.

**Market Risk** - The Strategy is subject to normal market fluctuations and the risks associated with investing in international securities markets and therefore the value of your investment and the income from it may rise as well as fall and you may not get back the amount originally invested.

**Counterparty Risk** - The Strategy will be exposed to credit risk on counterparties with which it trades in relation to on-exchange traded instruments such as futures and options and where applicable, 'over-the-counter' ("OTC", "non-exchange") transactions. OTC instruments may also be less liquid and are not afforded the same protections that may apply to participants trading instruments on an organized exchange.

**Currency Risk** - The value of investments designated in another currency may rise and fall due to exchange rate fluctuations. Adverse movements in currency exchange rates may result in a decrease in return and a loss of capital. It may not be possible or practicable to successfully hedge against the currency risk exposure in all circumstances.

**Liquidity Risk** - The Strategy may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely and cost efficient sale of trading positions can be impaired by decreased trading volume and/or increased price volatility.

**Financial Derivatives** - The Strategy may invest in financial derivative instruments ("FDI") (instruments whose prices are dependent on one or more underlying asset) typically for hedging purposes. The use of FDI involves additional risks such as high sensitivity to price movements of the asset on which it is based. The use of FDI may multiply the gains or losses.

**Leverage** - The Strategy's use of FDI may result in increased leverage which may lead to significant losses.

**Model and Data Risk** - The Investment Manager relies on quantitative trading models and data supplied by third parties. If models or data prove to be incorrect or incomplete, the Strategy may be exposed to potential losses. Models can be affected by unforeseen market disruptions and/or government or regulatory intervention, leading to potential losses.

## **This material is of a promotional nature.**

This material was prepared by Numeric Investors LLC ("Numeric," Investment Manager). Numeric is registered as an investment advisor with the US Securities and Exchange Commission ("SEC"). Numeric is also registered as a commodity pool operator with the National Futures Association ("NFA") as authorized by the US Commodity Futures Trading Commission ("CFTC"). Numeric utilizes its affiliate, Man Investments Inc. ("Man Investments") to assist in the marketing of its investment services. To that end, in the US this material is presented by Man Investments. Man Investments is registered as a broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority ("FINRA"). Man Investments is also a member of Securities Investor Protection Corporation ("SIPC"). Man Investments and Numeric are members of Man Group plc. ("Man Group"). The registrations and memberships in no way imply a certain level of skill or that the SEC, FINRA, SIPC, CFTC or NFA have endorsed Man Investments or Numeric. In the US, Man Investments can be contacted at 1345 Avenue of the Americas, 21st Floor, New York, NY 10105, Telephone: (212) 649-6600.

**Recipients of this material are deemed to be investment professionals and/or qualified investors that have employed appropriately qualified individuals to manage their financial assets and/or are a financial services entity appointed by an investor to provide fiduciary advisory and/or portfolio management services in respect of their financial assets. Information provided in response to queries regarding investment strategies and products managed by the Investment Manager will not be deemed to be provision of investment advice or personal investment recommendations, or assessment of the suitability or appropriateness of any investment products or consideration of the particular circumstances specific to any individual recipient to whom this material has been sent.**

The information in this material is for illustration and discussion purposes only. It is not intended to be, nor should it be construed or used as, investment, tax or legal advice, any recommendation or opinion regarding the appropriateness or suitability of any investment(s) or strategy/strategies, or an offer to sell, or a solicitation of an offer to buy, an interest in any security, including an interest in any private funds or pools, or any other investment product(s), managed account(s) or other investment vehicle(s) (each, an "Investment Product") advised by the Numeric or any of its affiliates. This material is intended to provide an overview of some of the strategies and services offered by Numeric for the recipient's consideration. No specific investment vehicle or investment product is being offered herein. This information is qualified in its entirety by the information that would be contained in any or all Investment Products' governing investment documents or confidential offering documents, including an offering memoranda or managed account agreements, as the case may be (collectively, the "Investment Documents"). Any offer or solicitation of an investment in an Investment Product may be made only by delivery of an Investment Product's Investment Documents to qualified investors. Prospective investors should rely solely on the Investment Documents in making any investment decision. The Investment Documents contain important information and should be read carefully before any investment decision is made. This material does not take into account the particular investment objectives, restrictions, or financial, legal or tax situation of any specific investor. An investment in an Investment Product is not suitable for all investors.

Unless otherwise indicated, performance is represented by a composite and is unaudited, net of applicable management, performance and other fees, presumes reinvestment of earnings and excludes certain expenses including but not limited to custody fees, administration fees and professional expenses. Fees may be modified or waived for certain investors. Please refer to each Investment Product's individual Investment Documents for more information regarding an Investment Product's fees, charges and expenses, which will offset an Investment Product's gains. Performance may vary substantially from year to year or even from month to month. An investor's actual performance and actual fees may differ from the performance information shown due to, among other factors, capital contributions and withdrawals/redemptions, expenses charged, different share classes and eligibility to participate in "new issues". The value of an investment and any income derived from it can go down as well as up and investors may not get back their original amount invested. Alternative investments can involve significant additional risks. Past performance is not indicative of future results.

No representation is made that Numeric's or any Investment Product's investment process, investment objectives, goals or risk management techniques will or are likely to be achieved or successful or that any Investment Product(s) or any underlying investment will make any profit or will not sustain losses. An investment in an Investment Product(s) involves risk, as disclosed in the Investment Documents. Numeric may engage in investment practices or trading strategies that may increase the risk of investment loss and a loss of principal may occur. Risk management is an effort to minimize risk, but does not eliminate risk entirely. The risk management techniques which may be utilized by Numeric cannot provide any assurance that an Investment Product(s) will not be exposed to risks of significant trading losses.

Any descriptions involving investment process, investment examples, statistical analysis, investment strategies or risk management techniques are provided for illustration purposes only, will not apply in all situations, may not be fully indicative of any present or future investments, may be changed in the discretion of Numeric and are not intended to reflect performance. Portfolio characteristics and limits reflect guidelines only and are implemented, and may change or be eliminated, in the discretion of Numeric. Investments are selected by, and will vary in the discretion of, Numeric and are subject to availability and market conditions, among other factors. Any opinions, assumptions, assessments, statements or the like (collectively, "Statements"), regarding future events or which are forward-looking, or regarding the market or the portfolio, including regarding portfolio characteristics and limits, constitute only subjective views, beliefs, outlooks, estimations or intentions of Numeric, should not be relied on, are subject to change due to a variety of factors, including fluctuating market conditions and economic factors, and involve inherent risks and uncertainties, both general and specific, many of which cannot be predicted or quantified and are beyond Numeric's or an Investment Product's control. Future evidence and actual results (including actual composition and investment characteristics of a portfolio) could differ materially from those set forth in, contemplated by, or underlying these Statements, which are subject to change without notice. In light of these risks and uncertainties, there can be no assurance and no representation is given that these Statements are now, or will prove to be accurate, or complete in any way. Numeric undertakes no responsibility or obligation to revise or update such Statements. Statements expressed herein may not necessarily be shared by all personnel of Numeric and its affiliates.

Benchmarks and financial indices are shown for illustrative purposes only and are provided for the purpose of making general market data available as a point of reference only. Such benchmarks and financial indices may not be available for direct investment, may be unmanaged, assume reinvestment of income, do not reflect the impact of any trading commissions and costs, management or performance fees, and have limitations when used for comparison or other purposes because they, among other reasons, may have different trading strategy, volatility, credit, or other material characteristics (such as limitations on the number and types of securities or instruments). Any identified Investment Products' investment objectives are not restricted to the securities and instruments comprising any one index. No representation is made that any benchmark or index is an appropriate measure for comparison.

Portfolio, volatility or return targets or objectives, if any, are used solely for illustration, measurement or comparison purposes and as an aid or guideline for prospective investors to evaluate a particular investment program's strategies, volatility and accompanying information. Such targets or objectives reflect subjective determinations by Numeric based on a variety of factors including, among others, the Investment Product's investment strategy and prior performance (if any), volatility measures, portfolio characteristics and risk, and market conditions. Volatility and performance will fluctuate, including over short periods, and should be evaluated over the time period indicated and not over shorter periods. Performance targets or objectives should not be relied upon as an indication of actual or projected future performance. Actual

# Important Information (Continued)

volatility and returns will depend on a variety of factors including overall market conditions and the ability of Numeric to implement an Investment Product's investment process, investment objectives and risk management. No representation is made that these targets or objectives will be achieved, in whole or in part, by any Investment Product.

Distribution of this material and the offer of an Investment Product may be restricted in certain jurisdictions. This material is not intended for distribution or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

This material is as of the date indicated, is subject to change and does not contain all material information regarding an Investment Product(s), including specific information relating to an investment in an Investment Product(s) and related risks factors. Unless otherwise stated, information provided in this material is derived from Numeric's database and internal sources. Certain information, including information related to indices and benchmarks, has been provided by and/or is based on third party sources and, although believed to be reliable, has not been independently verified. Numeric is not responsible for errors or omissions from these sources. No representation is made with respect to the accuracy, completeness or timeliness of information and Numeric assumes no obligation to update or otherwise revise such information. Unless the context otherwise requires, the term "investor" and "client" may be used interchangeably.

If so marked, this material is intended only for broker-dealers, financial intermediaries and advisers for their internal use in evaluating investment products for their investors and clients and may not be distributed or relied upon by any other person.

This information is confidential, is the property of Numeric and Man Investments, is intended only for intended recipients and their authorized agents and representatives and may not be reproduced or distributed to any other person without prior written consent.

This material must be read in conjunction with the accompanying Important Information (continued at back), notes and Alternative investment risks and other disclosures at the back of this material.

**Man Group plc provides investment management services through its subsidiaries including,** AHL Partners LLP, GLG LLC, GLG Partners LP, Man Global Private Markets (UK) Limited, Man Global Private Markets (USA) Inc., Man Investments Australia Limited, Man Solutions Limited, Man Solutions LLC, Numeric Investors LLC, and Varagon Capital Partners LP ("the Investment Managers") **which are regulated in their respective jurisdictions.** In the US, the Investment Managers are registered as investment advisors with the US Securities and Exchange Commission ("SEC"). AHL Partners LLP, GLG LLC, GLG Partners LP, Man Solutions Limited, Man Solutions LLC, and Numeric Investors LLC are also registered as Commodity Pool Operators ("CPO"), with the Commodity Futures Trading Commission ("CFTC") and are members of the National Futures Association ("NFA"). AHL Partners LLP and Man Solutions LLC are also registered as Commodity Trading Advisors with the CFTC. This material has been prepared by one of more of the Investment Managers and is provided by Man Investments Inc. ("Man Investments"), which is registered as a broker dealer with the US Securities and Exchange Commission ("SEC") and also is a member of the Financial Industry Regulatory Authority ("FINRA"). Man Investments Inc. is also a member of the Securities Investor Protection Corporation ("SIPC"). The registrations and membership described above in no way imply that the SEC, NFA, CFTC, FINRA, SIPC have endorsed the Investment Managers, Man Investments Inc., its affiliates, or any of the private investment fund(s) described herein.

The Investment Managers are operating as Man Group which represents the marketing name of the Investment Managers.

This material is being provided for information and discussion purposes only, and is not intended to be, nor should it be construed or used as, investment, tax or legal advice or an offer to sell, or a solicitation of an offer to buy, an interest in a fund or any other product managed or advised by Man Group or its affiliates. Any offer or solicitation of an investment may be made only by delivery of such an investment's confidential offering documents to qualified investors. The information is furnished as of the date shown or cited; no representation is made with respect to its accuracy, completeness or timeliness and no obligation to update or otherwise revise such information is being assumed.

This information is qualified in its entirety by the information that would be contained in any or all Investment Products' governing investment documents or confidential offering documents, including an offering memorandum or managed account agreements, as the case may be (collectively, the "Investment Documents"). Any offer or solicitation of an investment in an Investment Product may be made only by delivery of an Investment Product's Investment Documents to qualified investors. Prospective investors should rely solely on the Investment Documents in making any investment decision. The offering documents contain important information, including, among other information, a description of an Investment Product's risks, investment program fees and expenses, and should be read carefully before any investment decision is made. The Investment Documents contain important information and should be read carefully before any investment decision is made. This material does not take into account the particular investment objectives, restrictions, or financial, legal or tax situation of any specific investor. An investment in an Investment Product is not suitable for all investors.

Any statements regarding market events, future events or other similar statements constitute only subjective views, are based upon expectations or beliefs, should not be relied on, are subject to change due to a variety of factors, including fluctuating market conditions, and involve inherent risks and uncertainties, both general and specific, many of which cannot be predicted or quantified and are beyond an investment's control. Future evidence and actual results could differ materially from those set forth in, contemplated by, or underlying these statements. In light of these risks and uncertainties, there can be no assurance that these statements are now or will prove to be accurate or complete in any case.

All investments involve risks including the potential for loss of principal. No representation is made that any of the Fund's or strategies discussed herein risk management, investment process, trading performance or investment objectives will or are likely to be achieved or successful or that any Fund/Strategy or underlying investment will make any profit or will not sustain losses.

This information is subject to change, and must be read in conjunction with the "Alternative investment risks and other disclosures" page at the end of this presentation.

Distribution of this material and the offer of an Investment Product may be restricted in certain jurisdictions. This material is not intended for distribution or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. This information is confidential, is the property of the Investment Manager and Man Investments, is intended only for use by recipient(s) and their authorized agent(s) and representative(s) and may not be reproduced or distributed to any other person without prior written consent.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of 21 emerging market country indices. The MSCI Daily Total Return (DTR) Methodology reinvests dividends in the indices on the day the security is quoted ex-dividend (ex-date). For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-emerging-markets-index-usd-net.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-emerging-markets-index-usd-net.pdf)

The **MSCI Emerging Markets Small Cap Index** includes small cap representation across 23 Emerging Markets countries\*. With 1,877 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. The small cap segment tends to capture more local economic and sector characteristics relative to larger Emerging Markets capitalization segment. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-emerging-markets-small-cap-index-net.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-emerging-markets-small-cap-index-net.pdf)

The **MSCI China A Index** captures large and mid-cap representation across China securities listed on the Shanghai and Shenzhen exchanges. The index covers only those securities that are accessible through "Stock Connect". The index is designed for international investors and is calculated using China A Stock Connect listings based on the offshore RMB exchange rate (CNH). For more details on the index, please visit: <https://www.msci.com/documents/10199/b39c7f2f-21c7-4fb6-9fa3-d0a19babc17>

The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-index.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-index.pdf)

The **MSCI World Small Cap Index** captures small cap representation across 23 Developed Markets (DM) countries\*. With 4,267 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-small-cap-index.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-small-cap-index.pdf)

The **MSCI World ex USA Index** captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries-excluding the United States. With 1,003 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-ex-usa-index.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-ex-usa-index.pdf)

The **MSCI EAFE Index** measures international equity performance. It comprises the MSCI country indices that represent developed markets outside of North America: Europe, Australasia and the Far East. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-eafe-index-usd-net.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-eafe-index-usd-net.pdf)

The **MSCI World ex USA Small Cap Index** captures small cap representation across 22 of 23 Developed Markets (DM) countries\* (excluding the United States). With 2,547 constituents, the

index covers approximately 14% of the free float-adjusted market capitalization in each country. <https://www.msci.com/documents/10199/94076f89-3150-4ff7-8e64-be41786b969f>

The **S&P/ASX 300 Index** is designed to provide investors with broader exposure to the Australian equity market. The index is liquid and float-adjusted, and it measures up to 300 of Australia's largest securities by float-adjusted market capitalization. The S&P/ASX 300 index covers the large-cap, mid-cap, and small-cap components of the S&P/ASX 300 Index Series. This index is designed to address investment managers' needs to benchmark against a broad opportunity set characterized by sufficient size and liquidity. <https://us.spindices.com/indices/equity/sp-asx-300>

The **MSCI Europe Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. For more details on the index, please visit: [https://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-europe-index.pdf](https://www.msci.com/resources/factsheets/index_fact_sheet/msci-europe-index.pdf)

The **MSCI Japan Index** is designed to measure the performance of the large and mid cap segments of the Japanese market. With 323 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. <https://www.msci.com/documents/10199/b3ee6464-f705-4d65-81a0-d8756607cf9f>

The **Russell 1000 Index** measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market. The Russell 1000 Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/fact-sheet.page?ic=US1000>

The **Russell 1000 Value Index** includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/fact-sheet.page?ic=US1002>

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/fact-sheet.page?ic=US2000>



The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/fact-sheet.page?ic=US2000>

The **Russell 2500™ Index** measures the performance of the small to midcap segment of the US equity universe, commonly referred to as "smid" cap. The Russell 2500™ Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500™ Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set. <https://www.ftserussell.com/products/indices/russell-us>

The **S&P 500 Total Return Index** includes 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large cap segment of the market, with approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market. S&P 500 is part of a series of S&P U.S. indices that can be used as building blocks for portfolio construction. For more details on the index, please visit: [www.standardandpoors.com/indices](http://www.standardandpoors.com/indices)

**ICE BofA US High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. <https://indices.theice.com/>

**ICE BofA Japan Treasury Bill Index** tracks the performance Japanese Treasury Bills publicly issued by the Japanese government in its domestic market. Qualifying securities must have at least one month remaining term to final maturity and a minimum amount outstanding of JPY 200 billion. Securities issued or marketed primarily to retail investors are excluded. Index constituents are market capitalization weighted. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing. Cash does not earn any reinvestment income while it is held in the index. Information concerning constituent bond prices, timing and conventions and index governance and administration is provided in the ICE BofA Bond Index Methodologies, which can be accessed on our public website (<https://indices.theice.com>), or by sending a request to [iceindices@theice.com](mailto:iceindices@theice.com). The index is rebalanced on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. New issues must settle on or before the calendar month end rebalancing date in order to qualify for the coming month. No changes are made to constituent holdings other than on month end rebalancing dates. <https://indices.theice.com>



The investments described herein may be private investment funds, registered funds, and/or managed accounts and may utilize “Alternative Investment Strategies”. Alternative investment Strategies, depending upon their investment objectives may invest and trade in many different markets, strategies and instruments (including securities, non-securities and derivatives) and are NOT subject to the same regulatory requirements as mutual funds, including mutual fund requirements to provide certain periodic and standardized pricing and valuation information to investors. There are substantial risks in investing in an Alternative Investment. The Offering Documents contain important information concerning risk factors, including a more comprehensive description of the risks and other material aspects of the investment, and should be read carefully before any decision to invest is made. You should not rely in any way on this summary.

You should note carefully the following:

- An Alternative Investment represents a speculative investment and involves a high degree of risk. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of an investment in an Alternative Investment. An investor could lose all or a substantial portion of his/her/its investment.
- An investment in an Alternative Investment should be discretionary capital set aside strictly for speculative purposes.
- An investment in an Alternative Investment is not suitable for all investors. Only qualified eligible investors may invest in an Alternative Investment.
- An Alternative Investment’s offering documents may not have been reviewed or approved by federal or state regulators, and it may contain privately placed interests which are not federally or state registered.
- Some Alternative Investments may be illiquid and there may be significant restrictions on transferring or redeeming interests in an Alternative Investment. There may be no secondary market for an investor’s investment in an Alternative Investment. Certain portfolio assets may not have a readily ascertainable market value. Since the value assigned to portfolio investments affects a manager’s or advisor’s compensation, the manager’s or advisor’s involvement in the valuation process creates a potential conflict of interest. The value assigned to such portfolio investments may differ from the value an Alternative Investment is able to realize.
- An Alternative Investment may have little or no operating history or performance and may use performance which may not reflect actual trading of the Alternative Investment and should be reviewed carefully. Investors should not place undue reliance on hypothetical, pro forma or predecessor performance.
- An Alternative Investment’s manager or advisor has total trading authority over an Alternative Investment. The death or disability of the manager or advisor, or their departure, may have a material adverse effect on an Alternative Investment.

- An Alternative Investment may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk. An Alternative Investment’s performance may be volatile.
- An Alternative Investment may involve a complex tax structure, which should be reviewed carefully, and may involve structures or strategies that may cause delays in important tax information being sent to investors.
- An Alternative Investment’s fees and expenses which may be substantial regardless of any positive return may offset such Alternative Investment’s trading profits. If an Alternative Investment’s investments are not successful, these payments and expenses may, over a period of time, deplete the net asset value of an Alternative Investment.
- An Alternative Investment and its managers/advisors may be subject to various conflicts of interest.
- An alternative investment strategy or technique aimed to reduce the risk of loss which may not be successful.
- Alternative investments may not be required to provide periodic pricing or valuation information to investors.
- Alternative investment strategies may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in an alternative investment strategy and is subject to the more complete disclosures in the strategy’s offering documents, which must be reviewed carefully prior to making an investment. For a copy of the Offering Documents, please contact your Man sales representative at [ussales@man.com](mailto:ussales@man.com) or at the number listed below.

Man Investments, Inc.  
1345 Avenue of the Americas, 21<sup>st</sup> Fl  
New York, NY 10105 USA  
Tel +1 242-649-6600  
Member FINRA and SIPC

RVK

Attachment V

# International Small Cap Blend Analysis

## Los Angeles Fire and Police Pension System

Universe: eVestment International Small Cap Equity

Performance Data as of: September 2025

Performance Format: Gross of Fees

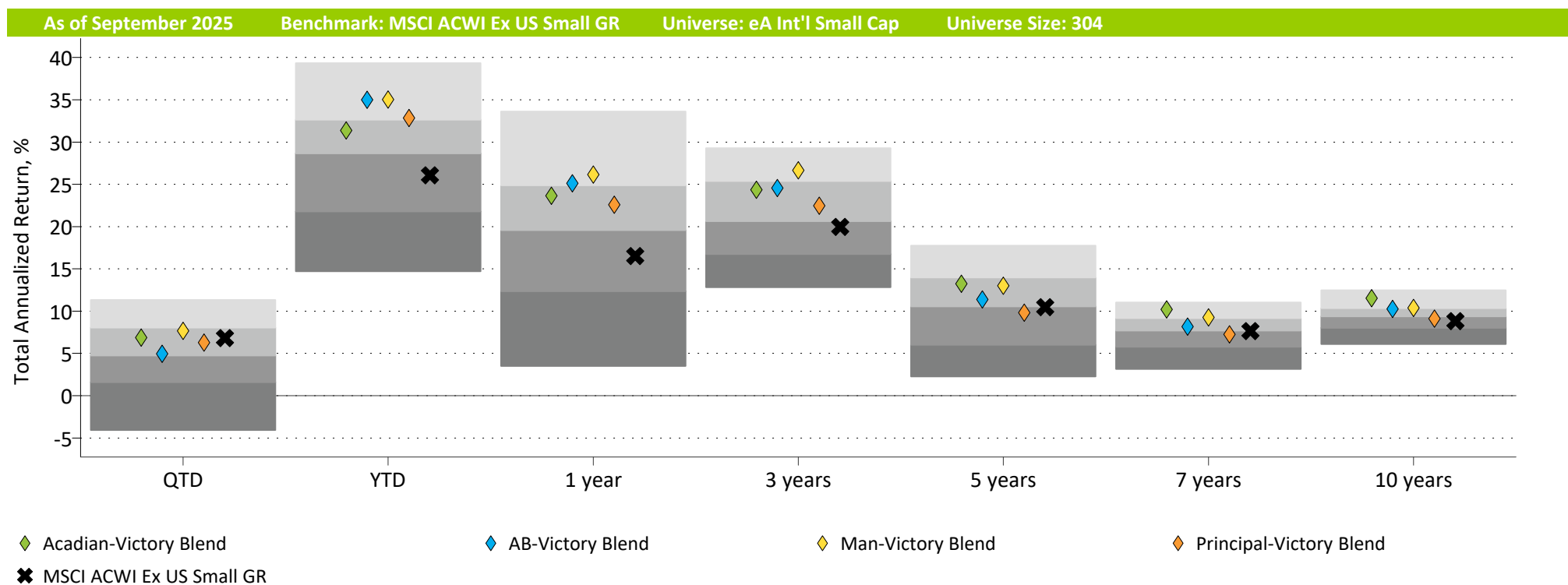
# Analysis Summary: Int'l Small Cap Manager Blends

RVK and Staff reviewed the historical results assuming that Acadian, AllianceBernstein and Man Numeric had been combined with the current incumbent, Victory Trivalent, in an equal-weighted fashion. The results were compared to a blend of Victory Trivalent and Principal. Key takeaways are noted below:

- All three managers would have resulted in better trailing period returns as of 09/30/2025 above the current blend between Principal and Victory Trivalent.
- The increase in performance is even more prominent on a risk-adjusted basis across the long-term according to the 10-year Information Ratio and Sharpe Ratio statistics.
- From a risk perspective, the blends exhibit lower relative risk (tracking error) compared to the current blend between Principal and Victory Trivalent which indicates each would not have contributed additional relative risk. The prospective blends would have produced a similar style bias to the peer group median as well.
- The following pages include additional exhibits to display the differences in risk and return between each prospective blend, each assumes an equal-weighted allocation between the managers.

<b>Annualized Performance</b>	<b>QTD</b>	<b>YTD</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>7 years</b>	<b>10 years</b>
Acadian-Victory Blend	6.9	31.4	23.6	24.4	13.2	10.2	11.5
AB-Victory Blend	5.0	35.0	25.1	24.6	11.4	8.2	10.3
Man-Victory Blend	7.7	35.0	26.1	26.7	13.0	9.3	10.4
<i>Principal-Victory Blend</i>	6.3	32.9	22.6	22.5	9.8	7.3	9.1
<b>MSCI ACWI Ex US Small GR</b>	<b>6.8</b>	<b>26.1</b>	<b>16.5</b>	<b>19.9</b>	<b>10.5</b>	<b>7.6</b>	<b>8.8</b>
<b>eA Int'l Small Cap Median</b>	<b>4.7</b>	<b>28.7</b>	<b>19.6</b>	<b>20.6</b>	<b>10.6</b>	<b>7.7</b>	<b>9.4</b>

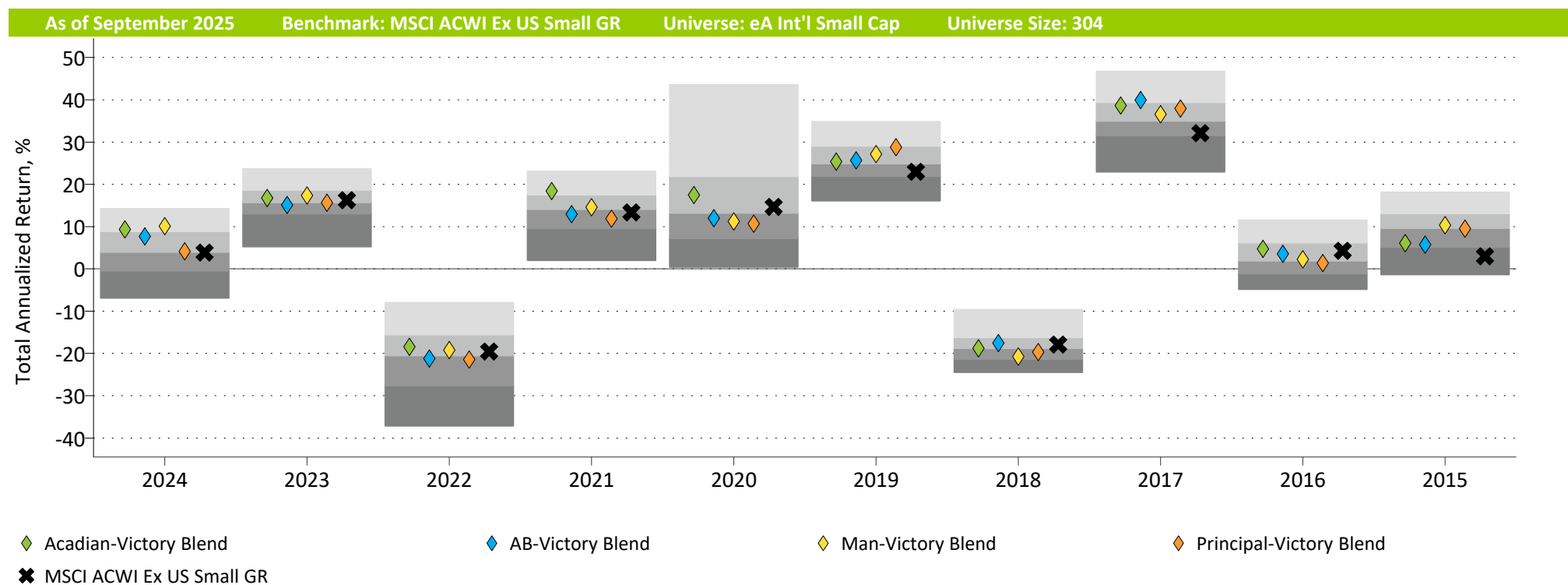
## Trailing Period Returns and Rankings



Annualized Performance	QTD		YTD		1 year		3 years		5 years		7 years		10 years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Acadian-Victory Blend	6.9	34	31.4	34	23.6	31	24.4	31	13.2	30	10.2	13	11.5	11
AB-Victory Blend	5.0	49	35.0	15	25.1	22	24.6	30	11.4	47	8.2	41	10.3	27
Man-Victory Blend	7.7	27	35.0	15	26.1	18	26.7	18	13.0	31	9.3	22	10.4	25
Principal-Victory Blend	6.3	40	32.9	25	22.6	37	22.5	42	9.8	54	7.3	58	9.1	53
<b>MSCI ACWI Ex US Small GR</b>	<b>6.8</b>	<b>36</b>	<b>26.1</b>	<b>63</b>	<b>16.5</b>	<b>63</b>	<b>19.9</b>	<b>58</b>	<b>10.5</b>	<b>51</b>	<b>7.6</b>	<b>51</b>	<b>8.8</b>	<b>57</b>
<b>eA Int'l Small Cap Median</b>	<b>4.7</b>	<b>50</b>	<b>28.7</b>	<b>50</b>	<b>19.6</b>	<b>50</b>	<b>20.6</b>	<b>50</b>	<b>10.6</b>	<b>50</b>	<b>7.7</b>	<b>50</b>	<b>9.4</b>	<b>50</b>

Performance is gross of fees.

## Calendar Year Returns and Rankings



Calendar Year Performance	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Acadian-Victory Blend	9.3	22	16.7	40	-18.5	39	18.4	20	17.5	35	25.4	46	-18.8	50	38.6	29	4.8	32	6.1	71
AB-Victory Blend	7.7	32	15.1	54	-21.2	53	12.9	59	12.0	55	25.6	44	-17.5	35	39.9	23	3.5	40	5.8	73
Man-Victory Blend	10.1	19	17.4	34	-19.2	41	14.6	46	11.2	57	27.2	32	-20.7	71	36.6	41	2.3	47	10.3	46
Principal-Victory Blend	4.1	48	15.6	51	-21.5	54	11.9	68	10.7	60	28.8	26	-19.7	61	38.0	34	1.4	54	9.5	51
<b>MSCI ACWI Ex US Small GR</b>	<b>3.9</b>	<b>51</b>	<b>16.2</b>	<b>44</b>	<b>-19.6</b>	<b>43</b>	<b>13.4</b>	<b>57</b>	<b>14.7</b>	<b>46</b>	<b>22.9</b>	<b>65</b>	<b>-17.9</b>	<b>39</b>	<b>32.1</b>	<b>73</b>	<b>4.3</b>	<b>37</b>	<b>3.0</b>	<b>85</b>
<b>eA Int'l Small Cap Median</b>	<b>4.0</b>	<b>50</b>	<b>15.7</b>	<b>50</b>	<b>-20.5</b>	<b>50</b>	<b>14.1</b>	<b>50</b>	<b>13.2</b>	<b>50</b>	<b>24.9</b>	<b>50</b>	<b>-18.8</b>	<b>50</b>	<b>35.0</b>	<b>50</b>	<b>1.9</b>	<b>50</b>	<b>9.6</b>	<b>50</b>

Performance is gross of fees.

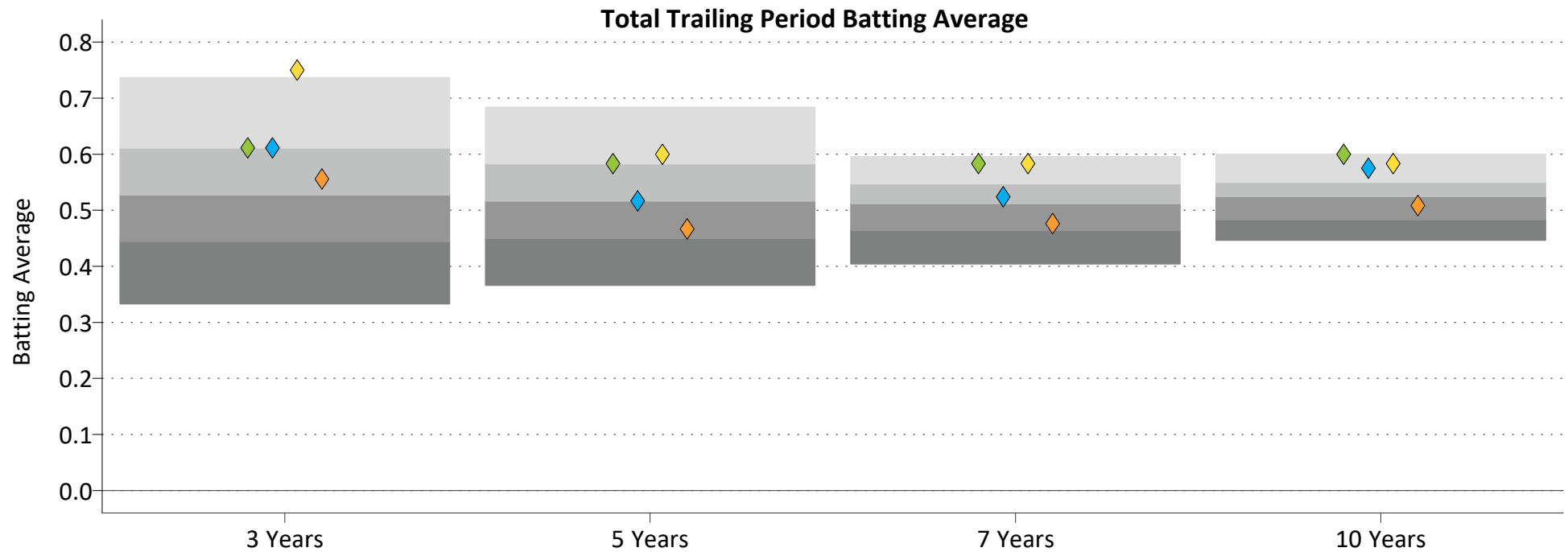
## Trailing Period Batting Average

As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304



◆ Acadian-Victory Blend    ◆ AB-Victory Blend    ◆ Man-Victory Blend    ◆ Principal-Victory Blend

	Up Mkt Batting Average				Down Mkt Batting Average			
	3 Years	5 Years	7 Years	10 Years	3 Years	5 Years	7 Years	10 Years
Acadian-Victory Blend	0.63	0.64	0.63	0.62	0.58	0.50	0.52	0.57
AB-Victory Blend	0.71	0.64	0.63	0.62	0.42	0.33	0.36	0.50
Man-Victory Blend	0.83	0.75	0.71	0.65	0.58	0.38	0.39	0.48
Principal-Victory Blend	0.63	0.58	0.57	0.55	0.42	0.29	0.33	0.43
<b>eA Int'l Small Cap Median</b>	<b>0.54</b>	<b>0.53</b>	<b>0.51</b>	<b>0.51</b>	<b>0.50</b>	<b>0.46</b>	<b>0.48</b>	<b>0.50</b>

## Up/Down Market Capture - Seven and Ten Year

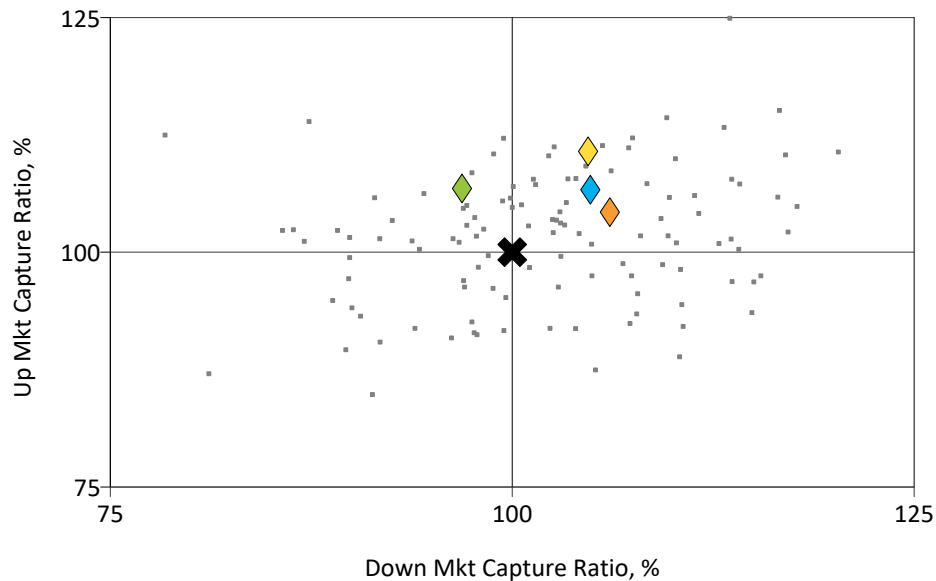
As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

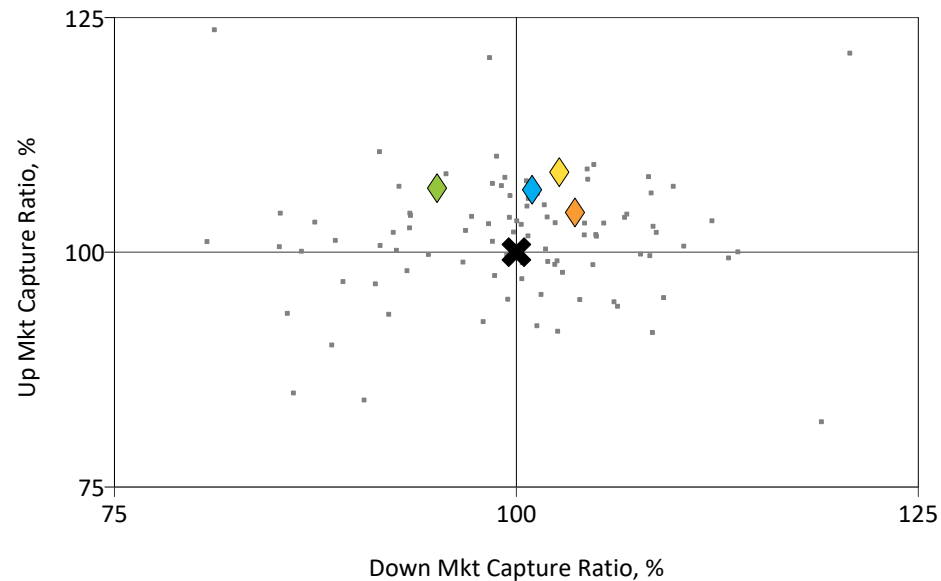
Universe: eA Int'l Small Cap

Universe Size: 304

### Seven Year Up/Down Market Capture Ratio



### Ten Year Up/Down Market Capture Ratio



■ eA Int'l Small Cap

◆ Acadian-Victory Blend

◆ Principal-Victory Blend

✕ MSCI ACWI Ex US Small GR

◆ AB-Victory Blend

◆ Man-Victory Blend

	Up Mkt Cap Ratio, %	Up Mkt Months	Down Mkt Cap Ratio, %	Down Mkt Months
Acadian-Victory Blend	106.80	51	96.87	33
AB-Victory Blend	106.65	51	104.85	33
Man-Victory Blend	110.74	51	104.72	33
Principal-Victory Blend	104.29	51	106.08	33
MSCI ACWI Ex US Small GR	100.00	51	100.00	33
eA Int'l Small Cap Median	102.00	51	102.60	33

	Up Mkt Cap Ratio, %	Up Mkt Months	Down Mkt Cap Ratio, %	Down Mkt Months
Acadian-Victory Blend	106.83	74	95.06	46
AB-Victory Blend	106.66	74	100.97	46
Man-Victory Blend	108.54	74	102.67	46
Principal-Victory Blend	104.24	74	103.65	46
MSCI ACWI Ex US Small GR	100.00	74	100.00	46
eA Int'l Small Cap Median	101.86	74	100.35	46

## Risk/Return - Seven and Ten Year

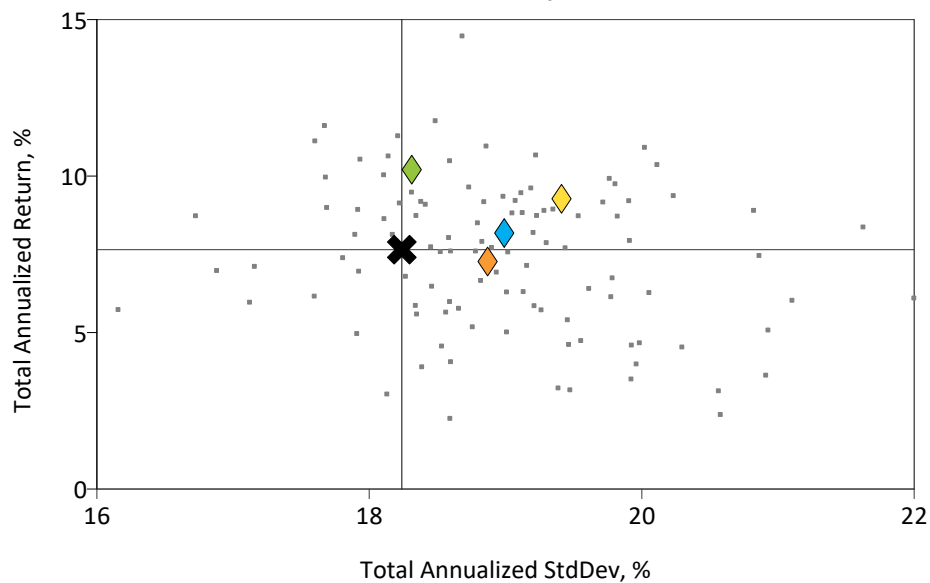
As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

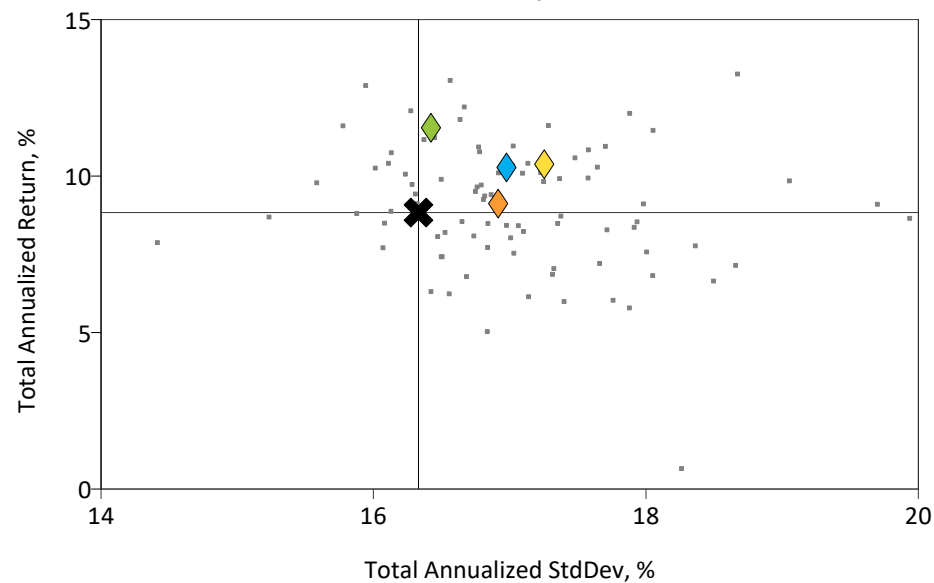
Universe: eA Int'l Small Cap

Universe Size: 304

Seven Year Risk/Return



Ten Year Risk/Return



■ eA Int'l Small Cap

◆ Acadian-Victory Blend

◆ Principal-Victory Blend

✱ MSCI ACWI Ex US Small GR

◆ AB-Victory Blend

◆ Man-Victory Blend

	Annualized Return	Annualized Std. Dev.
Acadian-Victory Blend	10.20	18.31
AB-Victory Blend	8.18	18.99
Man-Victory Blend	9.27	19.41
Principal-Victory Blend	7.27	18.87
MSCI ACWI Ex US Small GR	7.65	18.24
eA Int'l Small Cap Median	7.71	19.01

	Annualized Return	Annualized Std. Dev.
Acadian-Victory Blend	11.54	16.42
AB-Victory Blend	10.27	16.98
Man-Victory Blend	10.38	17.25
Principal-Victory Blend	9.12	16.91
MSCI ACWI Ex US Small GR	8.83	16.33
eA Int'l Small Cap Median	9.37	16.98



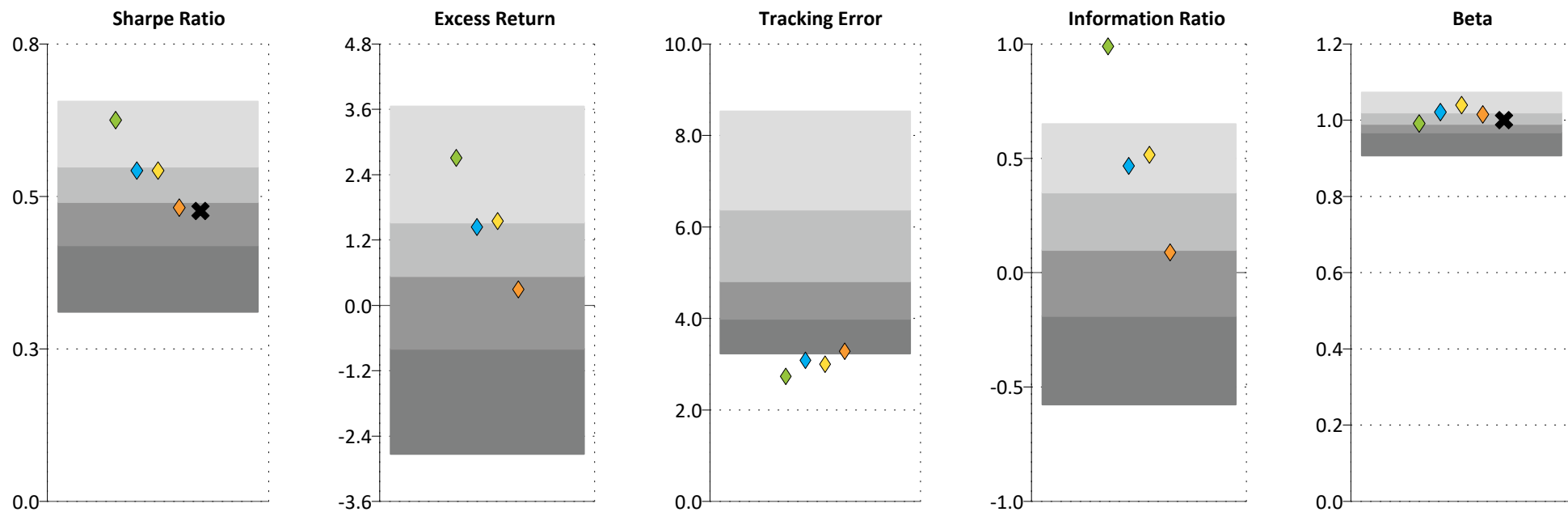
## Modern Portfolio Theory Statistics - Ten Year

As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304



◆ Acadian-Victory Blend

◆ AB-Victory Blend

◆ Man-Victory Blend

◆ Principal-Victory Blend

✕ MSCI ACWI Ex US Small GR

Firm/Product	Sharpe Ratio	Rank	Excess Return %	Rank	Tracking Error	Rank	Information Ratio	Rank	Beta	Rank
Acadian-Victory Blend	0.63	10	2.71	11	2.74	99	0.99	3	0.99	50
AB-Victory Blend	0.54	30	1.44	27	3.09	97	0.47	16	1.02	24
Man-Victory Blend	0.54	30	1.55	25	3.00	98	0.52	15	1.04	10
Principal-Victory Blend	0.48	55	0.29	53	3.28	95	0.09	51	1.02	32
<b>MSCI ACWI Ex US Small GR</b>	<b>0.48</b>	<b>55</b>	<b>0.00</b>	<b>57</b>	<b>0.00</b>	<b>100</b>	---	---	<b>1.00</b>	<b>40</b>
<b>eA Int'l Small Cap Median</b>	<b>0.49</b>	<b>50</b>	<b>0.53</b>	<b>50</b>	<b>4.81</b>	<b>50</b>	<b>0.10</b>	<b>50</b>	<b>0.99</b>	<b>50</b>

# Returns Based Style Analysis

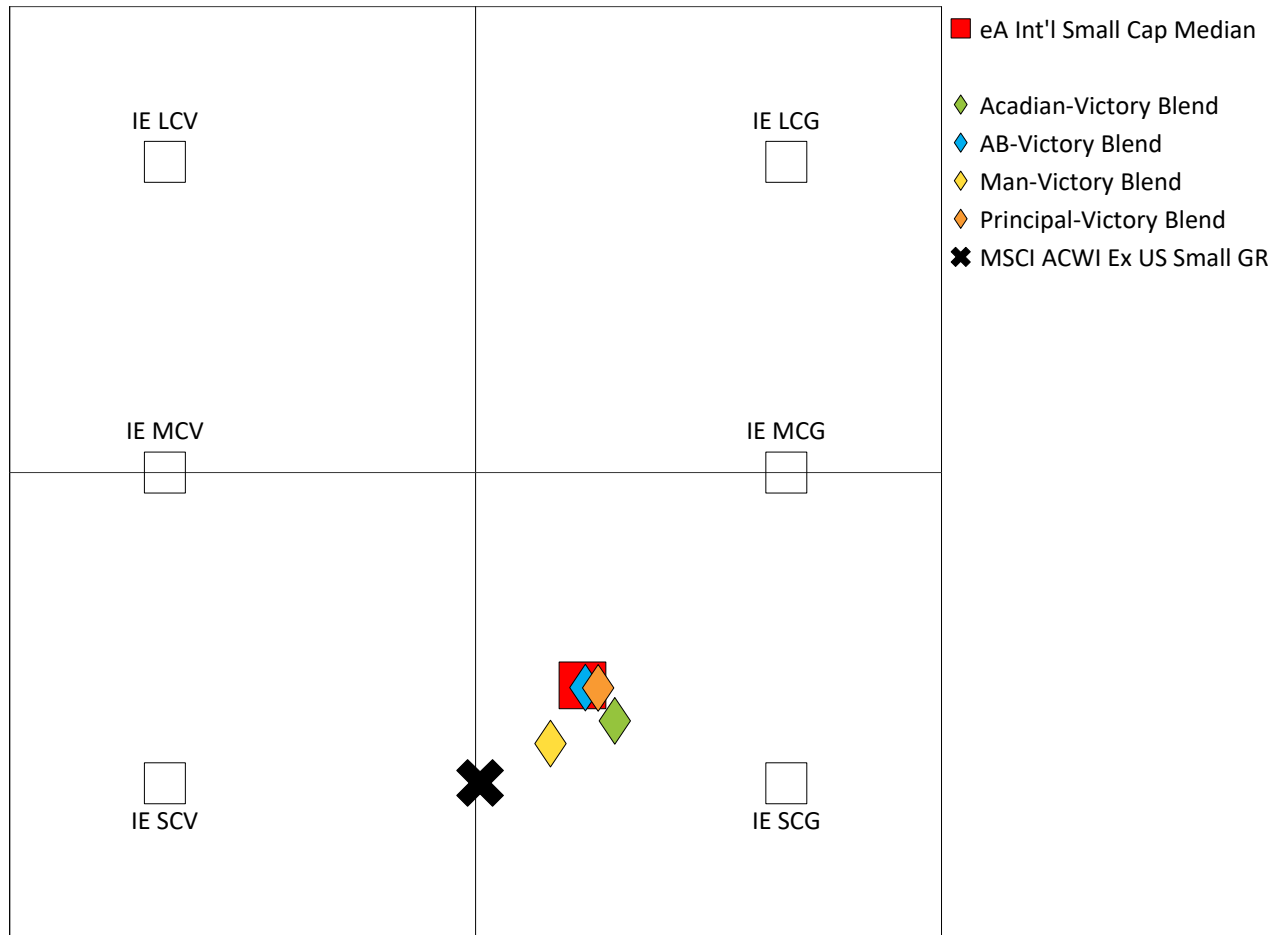
As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

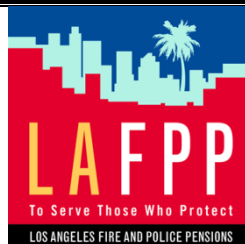
Universe Size: 304

## Style Analysis - 10 Year Average



# RVK

**Disclaimer of Warranties and Limitation of Liability** - This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only. It should not be construed as legal or tax advice. It does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets. This document should not be construed as investment advice: it does not reflect all potential risks with regard to the client's investments and should not be used to make investment decisions without additional considerations or discussions about the risks and limitations involved. Any decision, investment or otherwise, made on the basis of this document is the sole responsibility of the client or intended recipient.



## **DEPARTMENT OF FIRE AND POLICE PENSIONS**

701 E. 3rd Street, Suite 200  
Los Angeles, CA 90013  
(213) 279-3000

### **REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**

**DATE: FEBRUARY 5, 2026**

**ITEM: E.2**

**FROM: JOSEPH SALAZAR, GENERAL MANAGER**

**SUBJECT: SEMI-ANNUAL REPORT ON EMERGING MANAGER OUTREACH AND EDUCATION**

**THIS REPORT IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES.**

#### **BACKGROUND**

Emerging manager engagement is a priority for the Board and Staff pursuant to LAFPP's 2025-27 Strategic Plan Goal #2 – *Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers*. The primary objective of this goal is to increase the pool of candidates considered for LAFPP's investment portfolio, ensuring expanded visibility into investment opportunities that offer appropriate risk-adjusted returns. To assist the Board with monitoring outreach efforts, Staff prepares and presents this report twice per year, generally in February and August, for the periods ending December 31<sup>st</sup> (of the prior year) and June 30<sup>th</sup> (of the current year), respectively. The most recent semi-annual report was presented on August 7, 2025, with information as of June 30, 2025.

#### **DISCUSSION**

##### ***Emerging Manager Outreach Activities***

For the reporting period of July 1 through December 31, 2025, Staff participated in seven (7) emerging and diverse manager related events as presented in the table below.

<b>STAFF OUTREACH EVENTS</b>	
<b>DATE(S)</b>	<b>EVENT NAME</b>
July 9 – 10, 2025	TIDE <sup>1</sup> SPARK 2025
July 30, 2025	GW <sup>2</sup> and TCW Group Networking Event
August 6, 2025	GW/Bloomberg Women's Buyside Network Summer Social
Sept 29 – Oct 1, 2025	AAAIM <sup>3</sup> Elevate Conference
October 2, 2025	NAIC <sup>4</sup> Amplifying Alts Conference
October 9, 2025	Women in Institutional Investments Network Annual Luncheon
November 13, 2025	LAFPP/LACERS <sup>5</sup> Emerging Manager Networking Forum

<sup>1</sup> The Investment Diversity Exchange

<sup>2</sup> Girls Who Invest

<sup>3</sup> Association of Asian American Investment Managers

<sup>4</sup> National Association of Investment Companies

<sup>5</sup> Los Angeles Fire and Police Pensions/Los Angeles City Employees' Retirement System

Notably, Staff participated as panelists at the following events:

- On July 9, 2025, Bryan Fujita, Chief Investment Officer, participated on a panel discussing macroeconomic trends and a panel on investment outlook and opportunities, which included a discussion on emerging managers, at TIDE SPARK 2025. Adam Perez, Investment Officer, also participated on a panel specifically focused on emerging manager programs.
- On July 30, 2025, Susan Liem, Investment Officer, participated on a panel composed of investment professionals from LAFPP, LACERS, and Los Angeles County Employees Retirement Association (LACERA). The discussion focused on the experiences of the panelists in their roles at public pension plans. This event was conducted as part of a GWI and TCW Group networking event.
- On October 2, 2025, Mr. Fujita participated on a panel discussing current market trends, strategies, and expectations that are influencing limited partners' portfolio management decisions at the NAIC Amplifying Alts Conference.
- On October 9, 2025, Annie Chao, Deputy Chief Investment Officer, was honored by the Women in Institutional Investments Network organization at an annual luncheon. She was recognized for her leadership and advocacy for women and paving the way for others in her organization and more broadly.
- On November 13, 2025, LAFPP's Investments Staff, in partnership with LACERS' staff, coordinated the 2025 LAFPP/LACERS Emerging Manager Networking Forum. This educational and networking event brought together 48 emerging manager professionals (representing 33 emerging manager firms, with seven based in the City of Los Angeles), staff from LACERS and LAFPP, and the consultants of both Plans. A total of 19 firms were randomly selected to participate in one-on-one meetings with staff of both Plans. The event also featured two panel discussions with the Plans' private markets and public markets consultants.

In addition to these events, Staff met with 62 prospective emerging managers and 7 existing emerging managers that currently manage assets for the Plan.

### ***New Emerging Manager Investments/Commitments***

For the reporting period of July 1 through December 31, 2025, the Board approved three (3) fund commitments totaling \$50 million to the emerging managers listed in the table below.

EMERGING MANAGER FUND COMMITMENTS				
MANAGER	FUND NAME	ASSET CLASS	COMMITMENT	CONSULTANT
Prelude Growth Partners	Prelude Growth Partners III, L.P.	Private Equity	\$20 million	Future Standard

Renegade Partners	Renegade Partners III, L.P.	Private Equity	\$15 million	Future Standard
Harpoon Management, LLC	Harpoon Ventures Fund IV, L.P.	Private Equity	\$15 million	Future Standard

### ***Graduated Emerging Manager Investments/Commitments***

For the reporting period of July 1 through December 31, 2025, the Board approved two (2) new follow-on commitments to 1315 Capital, one for \$20 million to 1315 Capital Fund IV and the other for \$10 million to 1315 Capital Emerging Growth and Buyout Fund II, as listed in the table below. With these commitments, 1315 Capital graduated from the Specialized Manager portfolio to the Core Private Equity portfolio.

GRADUATED EMERGING MANAGER FUND COMMITMENTS				
MANAGER	FUND NAME	ASSET CLASS	COMMITMENT	CONSULTANT
1315 Capital	1315 Capital Fund IV, L.P.	Private Equity	\$20 million	Future Standard
1315 Capital	1315 Capital Emerging Growth and Buyout Fund II, L.P.	Private Equity	\$10 million	Future Standard

### ***Total Emerging Managers Investments/Commitments***

As of December 31, 2025, LAFPP has invested/committed approximately \$2.0 billion with 69 emerging managers across the Public Equity, Public Fixed Income, Real Estate, and Private Equity asset classes. Additionally, 24 managers with total investments/commitments from LAFPP of approximately \$2.8 billion have graduated from emerging manager status and continue to manage assets for the Plan.

The attached Emerging Manager List (Attachment I) provides a complete list of the Plan's current and graduated emerging managers by asset class.

### ***2025 NAIC Biennial Report on Diverse Private Equity Manager Performance***

At the August 7, 2025 meeting, the Board expressed interest in receiving the National Association of Investment Companies (NAIC)'s biennial study on the performance of diverse-owned private equity managers. The NAIC's most recent study, which was published in October 2025, is attached for the Board's reference (Attachment II).

### **BUDGET**

This report has no budget impact.

### **POLICY**

This report has no policy impact.

### **CONTRACTOR DISCLOSURE INFORMATION**

There is no contractor disclosure information required with this report.

This report was prepared by:

Angel Meza Contreras, Management Analyst  
Investments Division

JS:BF:AC:SL:AMC

Attachments:      I - Emerging Manager List as of December 31, 2025  
                         II - NAIC 2025 Diverse Private Equity Manager Performance Study

## Emerging Manager List (as of December 31, 2025)

Public Markets

<b>Fixed Income</b>		
<i>Manager Name</i>	<i>Strategy</i>	<i>AUM (\$m)</i>
GIA Partners	Opportunistic Fixed Income	\$112.6
Medalist Partners	MBS Fixed Income	\$117.0
<b>Domestic Equity</b>		
<i>Manager Name</i>		<i>AUM (\$m)</i>
Channing Capital Management	Small Cap Value	\$91.2
Denali Advisors	Small Cap Value	\$99.4
Eastern Shore Capital Management	Small Cap Value	\$77.1
Lisanti Capital	Small Cap Value	\$72.0
Phocas Financial	Small Cap Value	\$94.2
<b>Total Public Managers: 7</b>	<b>Total Public Strategies: 7</b>	<b>Total Public Investments: \$663.5</b>

Private Markets

<b>Real Estate</b>		
<b>Townsend</b>		
<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Fund Commitments Total (\$m)</i>
Asana Partners	Fund I, II, III	\$115.0
Gerrity Group	Fund II	\$35.0
Savanna (New York)	Fund III	\$50.0
Unico Investment Group	Fund I, Unico CPP	\$85.0
Jadian Capital	Fund II	\$50.0
<b>Total Townsend Managers: 5</b>	<b>Total Townsend Funds: 8</b>	<b>\$335.0</b>

**Total Private Real Estate Managers: 5****Total Private Real Estate Funds: 8****Total Private Real Estate Commitments: \$335.0**

<b>Private Equity</b>		
<b>Future Standard</b>		
<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Fund Commitments Total (\$m)</i>
3Boomerang Capital	Fund I	\$10.0
Alta Growth Capital*	Fund II	\$5.0
Angeles Equity Partners	Fund I	\$5.0
Astira Capital Partners	Fund I	\$7.5
Astra Partners I	Fund I	\$7.5
Avance Investment Partners*	Fund II	\$15.0
Bain Double Impact	Fund I	\$7.5
Banneker Partners*	Fund III	\$15.0
Bertram Growth Capital	Fund II	\$25.0
BharCap Partners	Fund II	\$15.0
Centana Growth Partners*	Fund III	\$15.0
Canvas Ventures	Fund III	\$7.5
CenterGate Capital Partners	Fund I, II	\$20.0
Charger Investment Partners	Fund I	\$15.0
Clearhaven Fund	Fund I, II	\$30.0
DEFY Partners	Fund I, II	\$17.0
Diversis Capital Partners*	Fund III	\$15.0
Estancia Capital Partners*	Fund III	\$15.0
FIKA Ventures	Fund II, III, IV	\$37.5
GenNx360 Capital Partners	Fund II	\$5.0
Harpoon Ventures	Fund II, III, IV	\$35.0
Imaginary Venture Capital Partners	Fund II, III, Growth III	\$27.5
Mainsail Partners	Fund III	\$5.0
Mill Point Capital Partners	Fund I, II	\$20.0
New Heritage Capital	Fund III, IV	\$22.5
New MainStream (NMS)	Fund I, II, III	\$25.0
New Water Capital	Fund I	\$5.0
P4G Capital Partners	Fund I, Co-Invest Fund	\$10.0
ParkerGale Capital	Fund II	\$10.0
<b>Cont'd on following page</b>		



<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Fund Commitments Total (\$m)</i>
Prelude Growth Partners	Fund II, III	\$35.0
Renegade Partners	Fund I, II, III	\$40.0
Resolve Growth Partners	Fund I	\$15.0
TELEO Capital	Fund I, II	\$30.0
Turnspire Capital Partners	Fund II	\$10.0
Vivo Capital	Fund VII	\$10.0
Work-Bench	Fund III, IV	\$30.0
<b>Total Future Standard Managers: 36</b>	<b>Total Future Standard Funds: 55</b>	<b>Total Future Standard Commitments: \$619.5</b>

<b>Private Equity</b>		
<b>Fairview</b>		
<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Fund Commitments Total (\$m)</i>
645 Ventures	Fund I	\$10.0
Acrew Capital Fund	Fund I, Diversity Capital Fund I	\$35.0
Aldrich Capital Partners	Fund I, II	\$20.0
Argand Capital Partners	Fund I	\$5.0
Avance Investment Partners*	Fund I	\$15.0
Banneker Partners*	Fund I, II	\$23.5
Base 10 Partners	Fund II	\$10.0
Brewer Lane Ventures	Fund II	\$15.0
Centana Growth Partners*	Fund I, II	\$12.0
Cure Ventures	Fund I	\$15.0
Diversis Capital Partners*	Fund II	\$15.0
Estancia Capital Partners*	Fund II	\$5.0
Equal Ventures	Fund I	\$5.0
Fort Point Capital (FPC)	Fund III, Small Cap II	\$20.0
Grain Management	Fund II	\$5.0
Leadout Capital	Fund II	\$5.0
MaC Venture Capital	Fund II	\$14.5
Material Impact Partners	Fund II	\$10.0
Ulu Venture Capital	Fund II, III	\$15.0
<b>Total Fairview Managers: 19</b>	<b>Total Fairview Funds: 25</b>	<b>Total Fairview Commitments: \$255.0</b>

<b>Private Equity</b>		
<b>StepStone</b>		
<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Fund Commitments Total (\$m)</i>
Alta Growth Capital*	Fund I	\$10.0
Angeleno Investors	Fund III	\$10.0
Caltius Partners	Fund III, IV	\$20.0
Halyard Capital	Fund II	\$10.0
Millennium Technology Value Partners	Fund II	\$10.0
NGN Biomed	Fund II	\$5.0
Saybrook Capital	Opportunity Fund	\$5.0
St. Cloud Capital Partners	Fund II	\$10.0
<b>Total StepStone Managers: 8</b>	<b>Total StepStone Funds: 9</b>	<b>Total StepStone Commitments: \$80.0</b>

**Total Private Equity Managers: 57\*\***

**Total Private Equity Funds: 89**

**Total Private Equity Commitments: \$954.5**

\*This Private Equity Manager appears in multiple consultant portfolios.

\*\*The Total Private Equity Manager number has been adjusted to avoid double counting of Private Equity Managers that are in multiple portfolios.

Graduated Emerging Manager List (as of December 31, 2025)

Public Markets

Public Markets Graduated Emerging Manager List		
<i>Manager Name</i>	<i>Strategy</i>	<i>AUM (\$m)</i>
LM Capital	Opportunistic Fixed Income	\$926.6
<b>Total Managers: 1</b>	<b>Total Strategies: 1</b>	<b>Total Invested: \$926.6</b>

Private Markets

Private Markets Graduated Emerging Manager List		
<i>Fund Manager</i>	<i>LAFPP Funds</i>	<i>Total Fund Commitments (\$m)</i>
1315 Capital Management	Fund I, II, III, & Early Growth I, Graduated to Core with Fund IV & EG I	\$65.0
Avante Capital Partners <sup>1</sup>	Fund III & IV, Graduated to Core with Fund IV	\$25.0
Blue Sea Capital	Fund I-III, Graduated to Core with Fund II	\$65.0
Carrick Capital Partners	Fund I-III, Graduated to Core with Fund III	\$29.0
Clearlake Capital Partners <sup>2</sup>	Fund II-VIII, Opportunities Fund III, Graduated to Core with Fund IV	\$262.5
Doll Capital Management	Fund IV, V, VI	\$15.0
Greycroft Growth <sup>3</sup>	Fund II-IV, Graduated to Core with Fund IV	\$45.0
Gridiron Capital	Fund II-V, Graduated to Core with Fund III	\$180.0
ICV Partners	Fund III & IV, Graduated to Core with Fund IV	\$20.0
Incline Equity Partners	Fund III-VI, Graduated to Core with Fund IV	\$87.0
Innovation Endeavors <sup>4</sup>	Fund III-V, Graduated to Core with Fund V	\$40.0
Insight Partners <sup>5</sup>	Fund VII-XIII, Equity II, Mezzanine I, Buyout Annex VII, Co-Invest II, III	\$316.0
Longitude Venture Capital Partners	Fund I-IV & Prime Fund, Graduated to Core with Fund III	\$55.0
Oak HC/FT	Fund I-VI, Graduated to Core with Fund III	\$120.0
Palladium Equity Partners <sup>6</sup>	Fund III-V, see footnote 6	\$65.0
Pear Ventures	Fund III & IV, Graduated to Core with Fund IV	\$25.0
Pelion Venture Capital	Fund V-VIII, Graduated to Core with Fund VI	\$62.5
Reach	Fund II-IV, Graduated to Core with Fund IV	\$32.5
SG (Stripes) Growth Partners <sup>7</sup>	Fund I-IV, Graduated to Core with Fund IV	\$45.0
Siris Partners	Fund II-IV, Graduated to Core with Fund III	\$40.0
StepStone Secondary Opportunities	Fund II-IV, Graduated to Core with Fund III	\$70.0
Sunstone Partners	Fund II & III, Graduated to Core with Fund III	\$37.5
Vista Equity Partners <sup>8</sup>	Fund III-VII, Foundation Fund II-IV, see footnote 8	\$210.0
<b>Total Managers: 23</b>	<b>Total Funds: 86</b>	<b>Total Committed: \$1,847.0</b>

<sup>1</sup>Fund III, Fairview Portfolio; Fund IV, StepStone Private Credit Portfolio

<sup>2</sup>Fund II, StepStone Private Equity Portfolio; Funds III-VIII & COP Fund III, Future Standard (FS) Core Portfolio

<sup>3</sup>Funds II & III, Fairview Portfolio; Fund IV managed by Staff

<sup>4</sup>Funds III & IV, Fairview Portfolio; Fund V, FS Core Portfolio

<sup>5</sup>Equity II, Mezzanine I, StepStone Private Equity Portfolio; Graduated with Fund VII-XIII, Buyout Annex VII, Co-Invest II, III, in FS Core Portfolio

<sup>6</sup>Fund III in Pension Consulting Alliance Core Portfolio, Fund IV in FS Specialized Manager Portfolio, Fund V in FS Core Portfolio

<sup>7</sup>Fund I, StepStone Private Equity Portfolio; Funds II & III in FS Specialized Manager Portfolio, Fund IV in FS Core Portfolio

<sup>8</sup>Fund III, Aldus Core Portfolio; Funds V-VII, FS Core Portfolio, Foundation Fund II, FS Specialized Manager Portfolio, Foundation Fund III & IV FS Core Portfolio



# AFFIRMING THE RETURNS 2025

Further Evidence of Diverse-Owned  
Private Equity Firm Outperformance



## A Letter from the NAIC

*Dear Friends and Colleagues,*

The National Association of Investment Companies (NAIC) is proud to present the 2025 Private Equity Performance Study, Affirming the Results. This year's findings are clear and compelling: once again, **diverse-owned private equity managers have outperformed their benchmarks**—and this time, by an **even greater margin than in our last biennial study in 2023**. The data highlights not only the strength of these firms, but also the fundamental drivers of their success: exceptional investment talent, deep experience in their chosen sectors, and strong alignment of interest with their limited partners.

Consistent with the findings in prior NAIC biennial performance reports, the **NAIC Private Equity Index significantly outperformed the Burgiss median return benchmark, generating an internal rate of return (IRR) of 16.0 percent, versus the Burgiss median return of 9.0 percent**. That 700 basis points of outperformance is not incidental—it reflects the discipline, insight, and execution capabilities of the managers included in this study. Perhaps most notably, **the private equity managers outperformed the Burgiss median in 90.5 percent of the years studied**, underscoring the consistency of their results across market cycles.

The strength of the NAIC Private Equity Index is evident across multiple measures. The index posted a **median Total Value to Paid-In Capital (TVPI) of 1.62x, compared to the Burgiss median of 1.31x**, demonstrating superior long-term value creation. While Distributions to Paid-In Capital (DPI) has historically been the most challenging metric, NAIC managers still achieved top- or second-quartile performance in half of the years measured. Moreover, two-thirds of the time, these managers delivered first- or second-quartile performance overall. Taken together, these results demonstrate that diverse-owned private equity firms are not simply competitive—they are among the best performers in the industry.

The findings also point toward an important conclusion: **diverse and emerging manager programs are viable, high-performing investment vehicles that should be embraced by a broader number of institutional investors**. In fact, every firm highlighted in this study that is now an outperformer was an emerging manager roughly 15 years ago. That track record should serve as a clear signal to limited partners: supporting emerging managers today means backing the outperformers of tomorrow.

I would like to extend my gratitude to KPMG LLP for managing the collection and compilation of performance data and to GCM Grosvenor for providing benchmark performance analysis across a variety of metrics and time periods. Their expertise and collaboration were essential to the creation of this important study.

*Best regards,*



Robert L. Greene  
NAIC President & CEO

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

## Table of Contents

04

Introduction

07

Key Findings

08

Demographic Information for NAIC  
Members and Participating Firms

10

Performance & Analysis

13

Implications for Investors

15

Methodology

17

Acknowledgements

18

Appendix: 2023 NAIC Member Firms

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

# Introduction

For **20+ years** the National Association of Investment Companies (NAIC) has worked with a group of industry experts to commission a study which accurately and comprehensively reviewed the performance of diverse-owned firms within the private equity industry.

On a biennial basis, we have diligently worked to update this study and compare it to widely accepted industry benchmarks. Once again, we are pleased to report that **diverse managers have outperformed the industry benchmarks and provided further evidence of the talent, acumen, and performance that their investment partners anticipated when they committed to these funds.**

2025 has been a challenging year for Diversity, Equity and Inclusion (DEI). Within weeks of taking office, the new administration issued Executive Order 14151 (“Ending Radical and Wasteful Government DEI Programs and Preferencing”) which impacted government employees and agencies, as well as Executive Order 14173 (“Ending Illegal Discrimination and Restoring Merit-Based Opportunities”), which sought to erode DEI within non-governmental commercial and non-profit entities. Indeed, that EO required that all contractual counterparties of the US, including grant recipients, “in all respects with all applicable Federal anti-discrimination laws is material to the government’s payment decisions ...[and that each] counterparty or recipient to certify that it does not operate any programs promoting DEI that violate any applicable Federal anti-discrimination laws.”<sup>1</sup>

These Executive Orders appear to be the embodiment of a wave of anti-DEI sentiment by a subset of policymakers who have likely always stood against the broader objective of being more inclusive of women and people of color. In fact, from 2023 to 2024, Pew Research Center found that perspectives about DEI changed among working Americans, leading an increasing number of people to believe that focusing on diversity at work is “a bad thing.”<sup>2</sup> And well before the Executive Orders, 31 states had already introduced, voted on or enacted anti-DEI legislation.<sup>3</sup> A further example of this surge of anti-DEI sentiment, includes successful anti-DEI campaigns targeting John Deere, Tractor Supply Company, Molson Coors and others, that secured commitments from each company to roll back their DEI commitments.<sup>4</sup>

Perhaps this blowback was inevitable. As Arthur Schopenhauer wrote: “Opinion is like a pendulum and obeys the same law. If it goes past the center of gravity on one side, it must go a like distance on the other; and it is only after a certain time that it finds the true point at which it can remain at rest.”<sup>5</sup> Certainly, there is a growing body of research that is examining the shifting tides within the diversity, equity and inclusion landscape.

Though the Pew study showed that negative perception about DEI is on the rise, the research also showed that a majority of those surveyed still believed that diversity initiatives were “a good thing.” This polarity seems fundamental to the current environment: There is evidence that diversity initiatives can improve target group representation, and “[r]ecent work has similarly found that different diversity practices are positively related to organizational attraction, felt inclusion, engagement, hiring and success rates among target groups, all of which are likely to facilitate diversity.”<sup>6</sup>

<sup>1</sup><https://www.whitehouse.gov/presidential-actions/2025/01/ending-illegal-discrimination-and-restoring-merit-based-opportunity/>

<sup>2</sup><https://www.pewresearch.org/short-reads/2024/11/19/views-of-dei-have-become-slightly-more-negative-among-us-workers/>

<sup>3</sup><https://www.nbcnews.com/data-graphics/anti-dei-bills-states-republican-lawmakers-map-rcna140756>

<sup>4</sup><https://www.businessinsider.com/robby-starbuck-conservative-activist-targeting-companies-dei-policies-2024-11>

<sup>5</sup> Vol. 2 “Further Psychological Observations” as translated in Essays and Aphorisms (1970), as translated by R. J. Hollingdale - Parerga and Paralipomena (1851) - Counsels and Maxims

<sup>6</sup> <https://www.sciencedirect.com/science/article/pii/S2352250X24001556>

**\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

# Introduction

Despite an increasingly polarized environment, the evidence does not support rejecting diversity and inclusion efforts. In fact, the most recent global analysis confirms that while talent is equally distributed across gender, race, and culture, opportunity is not. It is this lack of opportunity, rather than a lack of capability, that explains why capital allocation continues to bypass high-performing diverse managers.

A 2023 McKinsey study, *Diversity Matters Even More: The Case for Holistic Impact*, analyzed thousands of companies across regions and industries. The findings show a clear, statistically significant relationship between leadership diversity and financial performance. Organizations with greater representation of women and ethnic minorities in leadership consistently outperformed their less diverse peers. Importantly, the research emphasizes that these outcomes are not attributable to identity alone, but to the preparation, development, and execution that diverse leaders bring to their roles.

Figure 1: Relationship Between Diversity and Financial Outcomes, McKinsey (2023)

Key Findings	
Diversity Measure (Top Quartile)	Financial / Performance Advantage
Executive Team – Gender Diversity	Companies were <b>39% more likely</b> to financially outperform peers
Executive Team – Ethnic & Cultural Diversity	Companies were <b>39% more likely</b> to financially outperform peers
Board – Gender Diversity	Companies were <b>27% more likely</b> to financially outperform peers
Board – Ethnic & Cultural Diversity	Companies were <b>13% more likely</b> to financially outperform peers
Leadership Diversity & Holistic Impact	Each 10% increase in women’s representation on executive teams correlated with a <b>~2.1-point increase</b> in workforce and labor-practice scores

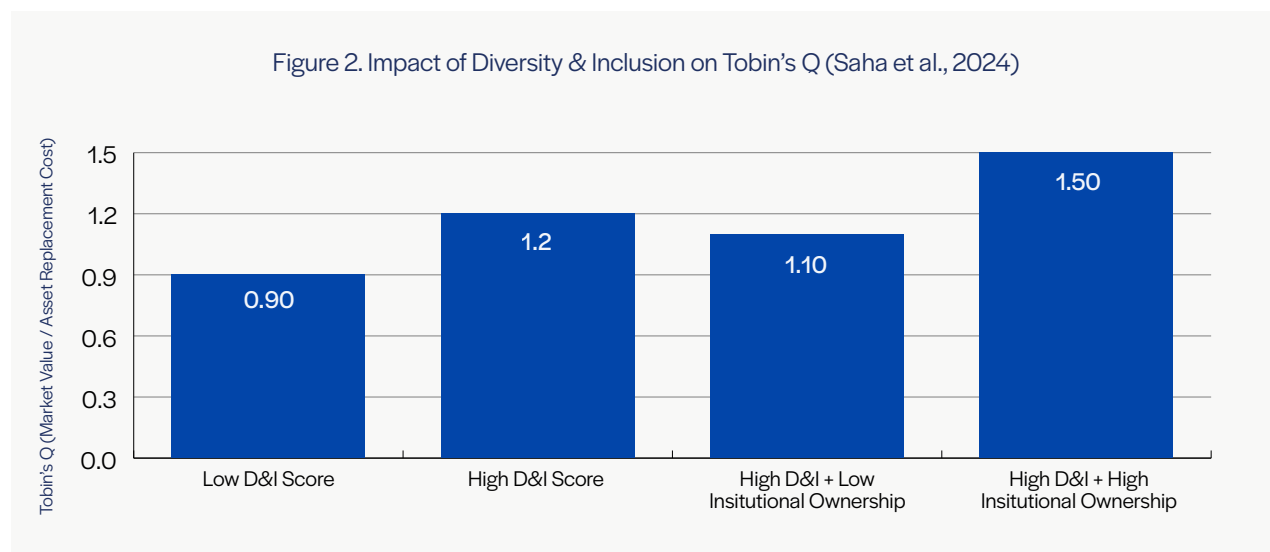
While McKinsey documents broad profitability advantages, Saha et al. (2024) provide econometric evidence linking diversity directly to **market valuation** in their study *Impact of diversity and inclusion on firm performance: Moderating role of institutional ownership*. Using a global sample of 8,089 firm-year observations (2017–2021), the study found that higher diversity and inclusion (D&I) scores were significantly associated with higher Tobin’s Q, a ratio reflecting investor confidence in a company’s growth prospects relative to its assets.

Importantly, the study also found that institutional ownership amplifies this effect. Firms with high D&I scores and strong institutional ownership exhibited the highest Tobin’s Q ratios, signaling that sophisticated investors view diversity as a marker of long-term value creation.

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

# Introduction

This figure illustrates findings from Saha et al. (2024), showing the relationship between diversity and inclusion (D&I) scores, institutional ownership, and Tobin's Q. Firms with higher D&I scores exhibit stronger market valuations (Tobin's Q), and this effect is amplified in firms with higher institutional ownership.



These findings emphasize that capital should flow based on preparation, development, and performance. Diverse managers are not asking to be funded because of who they are, but because of what they have proven: their ability to build competitive teams, navigate complex markets, and deliver superior outcomes. Diversity is not a substitute for merit; it is evidence that merit has too often been overlooked.

**The McKinsey results demonstrate that when diverse leaders are given opportunity, they deliver measurable financial advantage.**

This research reinforces that a thoughtfully implemented diversity initiative should continue to deliver positive results, regardless of public or governmental sentiment. And the results of this year's NAIC study of diverse private equity performance seems to indicate that is true for investors as well. **Investors who ignore this reality are not standing in defense of meritocracy—they are missing returns.**

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*



## Key Findings

➤ Consistent with the findings in prior NAIC biennial performance reports, the NAIC Private Equity Index significantly outperformed the benchmark BURGISS median return, **generating an internal rate of return (IRR) of 16.0 percent, versus the Burgiss median return of 9.0 percent**, representing 700 basis points of outperformance. The private equity managers included in the study **outperformed the Burgiss median in 90.5 percent of the years studied.**

➤ The NAIC Private Equity Index posted a **median TVPI of 1.62x, outperforming the median Burgiss performance of 1.31x.** Though the NAIC Private Equity Index did not outperform the Burgiss upper quartile as a whole, it is interesting to note that the **NAIC cohort produced first or second quartile performance roughly 66.1 percent of the time.**

➤ The NAIC Private Equity Index **outperformed the Burgiss median in DPI approximately 81 percent of the periods measured.** On a total period basis, the NAIC Private Equity Index posted a 0.65x to the Burgiss median's 0.44x DPI. Once again, the NAIC Private Equity Index produced a strong showing against the benchmark, producing **top or second quartile performance in 50 percent of years measured.**

➤ The environment for diversity, equity and inclusion will likely remain difficult for the next several years. However, the benefits of DEI remain demonstrable.

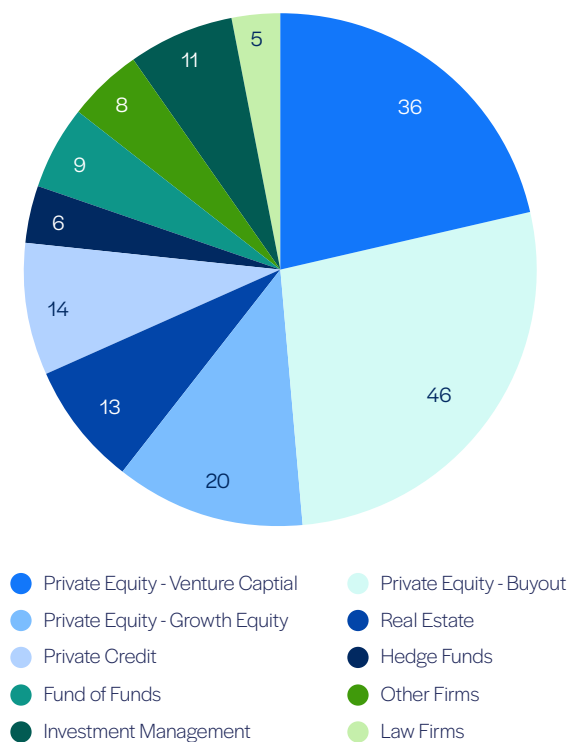
Based on the findings in this study, recent case studies and academic research (highlighted above), there continues to be substantial evidence of a “diversity dividend.”

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice.\*\*

## Demographic Information for NAIC Members and Participating Firms<sup>7</sup>

The NAIC is comprised of **175 member firms** across the alternatives spectrum, including private equity and buyout firms, venture capital, private credit, real estate, infrastructure, hedge funds, funds of funds and other strategies.

Figure 3: Breakdown of NAIC Member Firms by Type



NAIC member firms manage over **\$465 billion in AUM**, and have a median AUM of \$398 million. Our largest member firm manages **\$100 billion in AUM**.

Since 2010, 40 NAIC member firms have raised at least 78 oversubscribed funds.

NAIC member firms have raised approximately **\$48.6 billion over the last 2 years**.

NAIC member firms receive capital from a diverse investor base. In 2024, public pensions provided 40.8% of invested capital, corporate pensions provided 16% percent, and union pensions provided 6%. In addition to pensions, 12.8% of invested capital came from insurance companies and 9.6% from foundations.

<sup>7</sup> All demographic data on NAIC member firms in this section was provided by the National Association of Investment Companies and is accurate as of January 2025.

**\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

# Demographic Information for NAIC Members and Participating Firms<sup>7</sup>

Figure 4: Who Funds NAIC Member Firms?

Fundraising Streams  
as of Jan 29, 2025

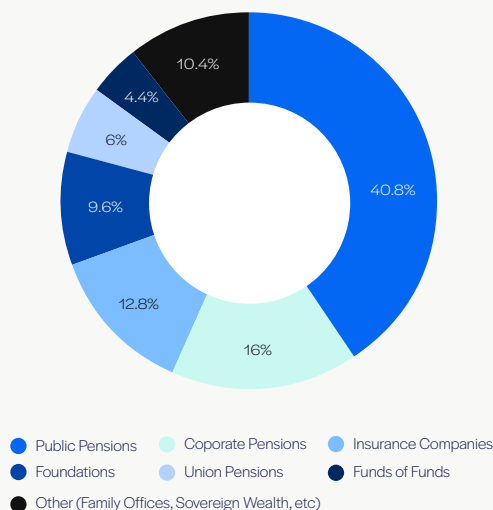
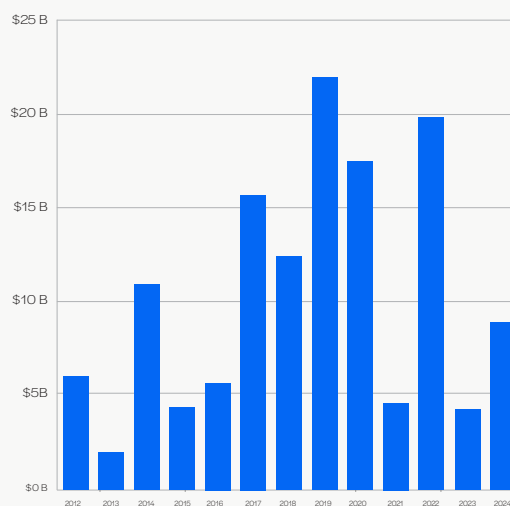


Figure 5: NAIC Member Firm Fundraising

NAIC Member Fundraising  
Per Annum



Source: NAIC

## NAIC Member Firms Participating in 2025 Study

Firms participating in the performance study ranged in size from **\$8.8 million to \$101.8 billion in AUM**.

Participating firms have from 1 to 65 funds under management and the funds are structured in a private equity format with some offering a co-invest strategy, either as stand-alone entities, or as part of a master-feeder arrangement.

2 out of the 29 firms participating in the study are women-owned. While only 7% of the firms participating in this study are owned by women, **women comprise 18% of investment professionals** at the participating firms.

<sup>7</sup> All demographic data on NAIC member firms in this section was provided by the National Association of Investment Companies and is accurate as of January 2025.

**\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

## Performance & Analysis

For the period 1998 through September 2024, diverse PE funds, represented by the NAIC Private Equity Index, recorded a net IRR of 16.0 percent, a net TVPI of 1.6x and DPI of 0.65x. To help put those performance figures into perspective, we compared IRR, TVPI and DPI of the NAIC Private Equity Index to benchmarks calculated from The Burgiss Group data by Vintage Year and for the full period 1998 through 2024.

**By any of the measures in this study, the NAIC private equity cohort produced consistent outperformance against the benchmark.** For example, when looking at IRR by vintage year in Figure 6, one can determine that diverse PE funds represented by the NAIC Private Equity Index performed better than the Burgiss Median Quartile in 90.5 percent of the vintage years studied.

For the full period studied, the NAIC Private Equity Index outperformed the median fund in the Burgiss benchmark group, generating a net IRR of 16.0 percent versus median Burgiss performance of 9.0 percent. The NAIC Private Equity Index outperformed the Burgiss upper quartile in 8 out of 21 periods, and roughly 36.9 percent of the funds in the NAIC Private Equity Index produced top quartile net IRRs during the period, with another approximately 25 percent landing in the second quartile.

Figure 6: IRR of NAIC Private Equity Index Versus Burgiss Median Quartile by Vintage Year

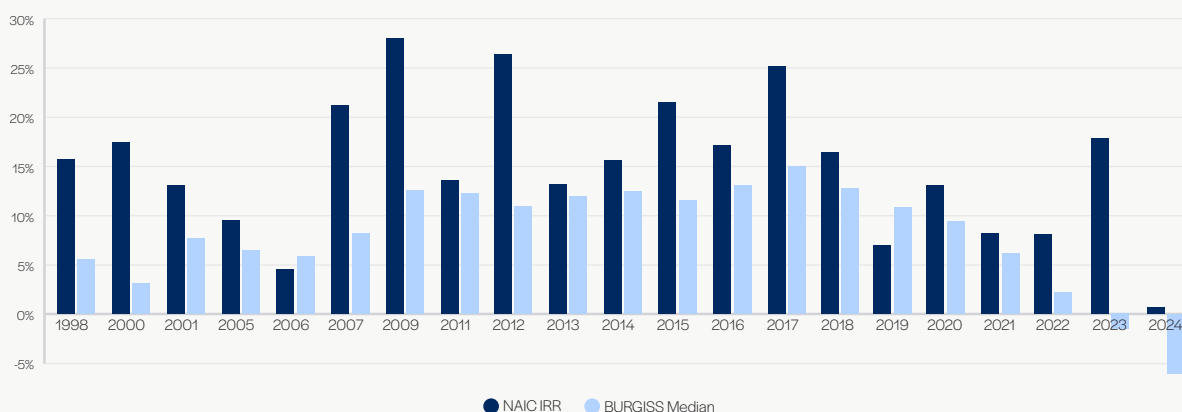
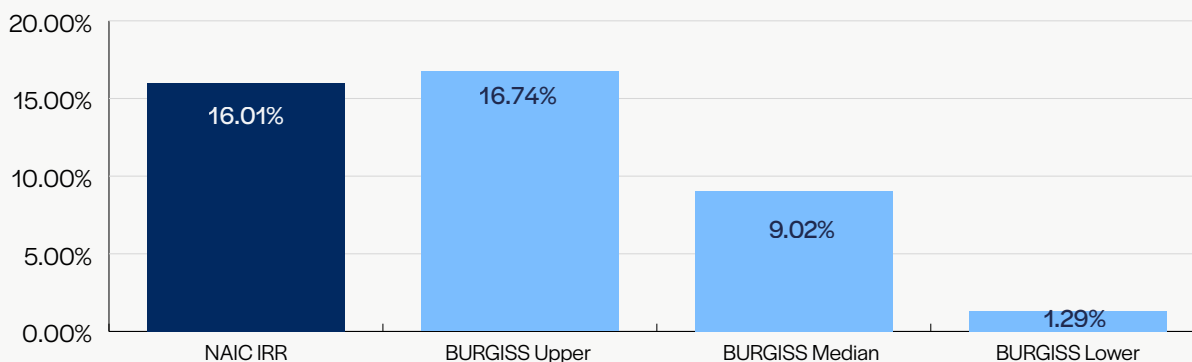


Figure 7: IRR of NAIC Private Equity Index Versus Benchmark, Full Period



\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice.\*\*

## Performance & Analysis

Likewise, the diverse PE funds represented by the NAIC Private Equity Index also generally posted higher net total value of paid-in capital (TVPI) than the median Burgiss private equity fund. The NAIC Private Equity Index outperformed the Burgiss median in 90.5 percent of the periods measured (Figure 8).

For the full period studied, the NAIC Private Equity Index posted a median TVPI of 1.62x, decisively outperforming the median Burgiss performance of 1.31x. In addition, even though the NAIC Private Equity Index did not outperform the Burgiss upper quartile as a whole, it is interesting to note that the NAIC cohort produced first or second quartile performance roughly 66.1 percent of the time, and top quartile performance approximately 35.7 percent of the time.

Figure 8: TVPI of NAIC Private Equity Index Versus Burgiss Median Quartile by Vintage Year

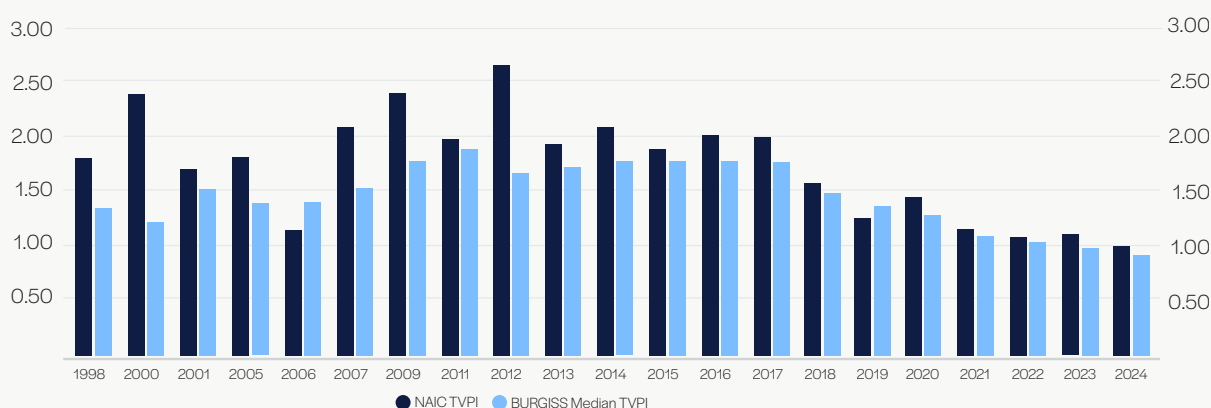
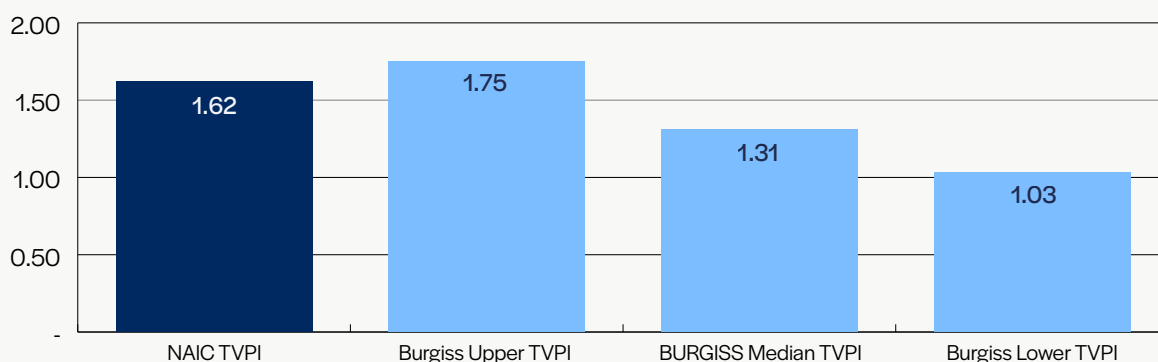


Figure 9: TVPI of NAIC Private Equity Index Versus Benchmark, Full Period



\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice.\*\*

## Performance & Analysis

Finally, we looked at Distributed to Paid-In (DPI) ratios for individual vintage years, as well as for the full period. As one might expect with newer vintage funds, DPI for recent periods are low. As funds mature and more exits are realized, one would expect DPI for both diverse PE funds and the funds that comprise the Burgiss median to increase.

With that caveat, the NAIC Private Equity Index outperformed the Burgiss median in approximately 81 percent of the periods measured (Figure 10). On a total period basis, the NAIC Private Equity Index posted a 0.65x to the Burgiss median's 0.44x DPI. Once again, the NAIC Private Equity Index produced a strong showing against the benchmark, producing top or second quartile performance in 50 percent of years measured.

Figure 10: DPI of NAIC Private Equity Index Versus Burgiss Median Quartile by Vintage Year

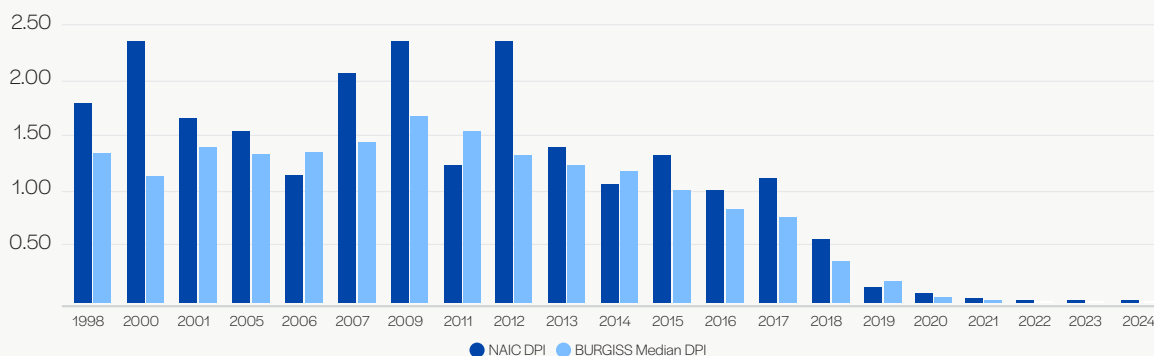
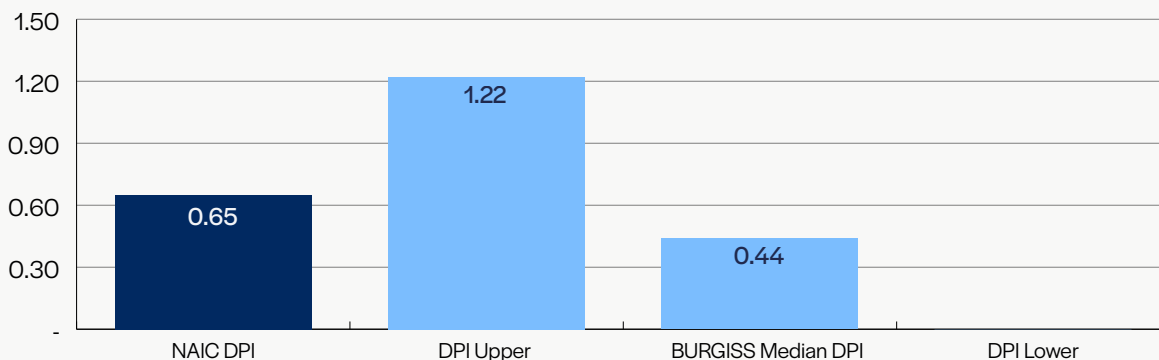


Figure 11: DPI of NAIC Private Equity Index Versus Benchmark, Full Period



\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

## Implications for Investors

Building on earlier research, the 2025 study affirms that diverse-owned private equity funds can produce alpha for investors. Further, there continues to be significant evidence of performance, there is a growing supply of diverse managers, and there continues to be an increase in the number of investors interested in participating in diverse-owned funds.

Of course, as investment professionals, we must be grounded in the bottom line, merit and fiduciary duty. Our focus must help balance risk and reward, profit and loss, and legal, economic, and reputational pain or gain. And now, perhaps more than ever, it is important that as an industry we emphasize, reemphasize, and indeed overemphasize that fiduciary duty remains paramount, while also using clear and unambiguous terminology and research that showcases how diversity is part of a successful investment strategy.

**So what is a good fiduciary to do? First, have the research at hand.**

**The best defense against claims of unfairness or lack of merit is to have the wealth of data that highlights the benefits of inclusion and the long-term outperformance of diverse asset managers.**

Diverse investment managers have earned the right to manage institutional capital through consistent, documented outperformance. Many launched their firms after building deep expertise and strong track records at world-class institutions such as Goldman Sachs and Carlyle, bringing elite training and proven investment judgment to their own platforms. Once provided access to capital, NAIC member firms have repeatedly generated top-quartile returns, resulting in numerous oversubscribed funds and multi-billion-dollar vehicles. Since 2010, NAIC firms have raised at least 78 oversubscribed funds, with more than 51 raised in just the past seven years.

This success has enabled many members to scale into multi-strategy platforms, expanding beyond their initial mandates (e.g., buyouts) into adjacent asset classes such as growth equity and private credit. Notable members include Vista Equity Partners and Clearlake Capital—together managing \$190 billion—both recognized among the most significant players in global alternatives. Their trajectory reflects that of NAIC's 175 member firms, which collectively manage over \$465 billion and continue to demonstrate that performance has secured their place as trusted stewards of institutional capital.

Furthermore, even if you do not feel comfortable currently disclosing diversity data, continue to collect it. That data may be critical in understanding where you can pick up additional basis points over time.

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

## Implications for Investors

You should also continue to look through the entire private equity value chain. Research shows that higher returns may be driven not only by asset managers, but by diverse founders, management teams, and boards, so it is important to understand how each of those metrics align in your portfolio to maximize returns. Failure to do any of the above may feel comfortable as the pendulum swings, but when it swings back you may find you've lost critical time and compounding performance that cannot be recovered.

**The growing body of evidence referenced above is often described as the diversity dividend, the measurable financial and organizational advantages that result when the full spectrum of talent is given the opportunity to compete.** Diverse leadership and investment teams bring differentiated insights, stronger decision-making, greater resilience, and outcomes that consistently translate into superior returns. This dividend is not rooted in optics or identity, but in preparation, discipline, and performance.

Markets themselves reinforce this reality. Firms and managers that embrace diversity demonstrate greater innovation, more durable business models, and stronger confidence from investors. This dynamic shows up in profitability, market valuation, and organizational health, proving that inclusion is not a concession, it is a competitive advantage. To ignore it is to discount a driver of growth that is both material and measurable.

For fiduciaries, the conclusion is clear: the inclusion of diverse managers in their portfolios must be treated as part of the investment equation.

**Allocating capital to diverse managers is not a social gesture; it is an exercise in fiduciary responsibility.**

It ensures that capital flows to all the managers that have earned it through demonstrated excellence, while also positioning portfolios to capture the long-term value that inclusive leadership generates. Recognizing and acting upon this dividend is not only prudent, but also essential to fulfilling the duty of care, loyalty, and prudence owed to beneficiaries.

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*



To produce this report, NAIC partnered with outside firms to collect, aggregate, analyze and explain performance data submitted by NAIC member firms.

The financial returns of a representative sample of diverse private equity firms (based on firm ownership), as well as those focused on Emerging Domestic Markets (“EDMs”) within the continental United States, were compiled for this report. These returns are intended to serve as a directional proxy for a broader sample of diverse asset management firms. The performance data was collected from audited financial statements from the years included in the study (1998 through September 2024).

To ensure objectivity and transparency, NAIC engaged KPMG LLP (“KPMG”), a global network of professional services firms providing Audit, Tax and Advisory services, to manage the collection and compilation of the performance data. NAIC member firms uploaded their completed performance data to a secure platform accessible only to KPMG, which removed individual firm attribution and aggregated the data. KPMG then provided GCM Grosvenor with anonymized performance data templates. Throughout this process, identifying information for Diverse PE Funds has been restricted to KPMG.

After receiving anonymized data from KPMG, analysts at GCM Grosvenor compiled performance benchmark analysis (the “NAIC Private Equity Index”) across a number of metrics and a variety of time periods. Performance metrics included Internal Rate of Return (“IRR”), Total Value of Paid-In capital (“TVPI”) and Distributed to Paid-in capital (“DPI”). In reports produced prior to 2023, NAIC has reported Multiple on Invested Capital (“MOIC”) which differs from TVPI only in the denominator used in the calculation. TVPI considers the total amount paid in as the denominator where MOIC utilizes the initial investment. If a private equity fund is fully funded, and all capital calls have been met, then TVPI will equal MOIC. The assumption in NAIC reports prior to 2023 was that MOIC were TVPI were the same.

Data was compiled using a sample of 29 firms and 167 investment funds. All funds were reviewed to ensure cash flows reconciled to the reported track records and net IRRs were vetted and corrected for 7 of the funds in the sample.

GCM Grosvenor also compiled all benchmark data. The benchmark is obtained from The Burgiss Group (“BURGISS”), an independent subscription-based data provider, which calculates and publishes quarterly performance information from cash flows and valuations collected from a sample of private equity firms worldwide. The performance is compared to that of its peers by asset type, geography and vintage year as of the applicable valuation date. GCM Grosvenor’s asset class and geography definitions may differ from those used by BURGISS. GCM Grosvenor has used its best efforts to match each vintage year, asset class and geography with the appropriate BURGISS strategy but material differences may exist. Benchmarks for certain investment types may not be available. Additional information is available upon request. BURGISS’ definition of each of its benchmark categories follow:

Aggregate summary includes Burgiss ranking by fund. Vintage Year (“VY”) Summary reports data by vintage year. VY and Asset Class Summary reports data by VY and asset class.

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

# Methodology

**The Quartile Rankings provided are based on The Burgiss Group's definitions of quartiles, as follows:**

- **First Quartile:** Returns are equal to or greater than the Upper Quartile Threshold (i.e., limit at which 25% of all returns are greater)
- **Second Quartile:** Returns are equal to or greater than the Median but lower than the Upper Quartile Threshold
- **Third Quartile:** Returns are greater than the Lower Quartile Threshold but lower than the Median
- **Fourth Quartile:** Returns are lower than the Lower Quartile Threshold (i.e., limit at which 75% of all returns are greater)

BURGISS Report Criteria:

End Date  
9/30/2024

Pooled/Individual Currency  
USD/USD

Vintage Year by  
First cash flow

Direct Funds benchmarked as per the below methodology to benchmarking provider:

## Asset Class

## Location

### NAIC

Buyout  
Growth Equity  
Special Situations  
All Private Equity

### BURGISS

EQUITY - Buyout  
EQUITY - Expansion Capital  
DEBT - (All)  
Equity (All) & DEBT - (All)

### NAIC

North America  
Europe  
Global

### BURGISS

North America  
Europe  
Global

Burgiss benchmark data downloaded on 7/11/25

Burgiss results in "By VY and Asset Class" section are specific to Fund Vintage Year, Geography and Strategy.

As an additional option, Burgiss information in "All Private Equity" section represent Burgiss All Equity/criteria. Results are specific to Fund Vintage Year and Geography.

VY and VY & Asset Class Subtotaled Strategy Specific Burgiss results are based on the combination of Asset Classes, Vintage Years and Geography in the population. In the cases of subtotals comprised of funds with multiple regions, Global Burgiss results are presented. In the case where three or more strategies are in a subtotal, Burgiss "All Private Equity" results are presented.

After this data was compiled, there was further analysis on the NAIC Private Equity Index returns and on market and industry trends, which were used in the production of this paper.

Funds were analyzed as a single cohort and were also broken out by vintage years. Please note that in early Vintage Years (until roughly 2012) the sample of funds in a single vintage year generally ranged from two to three. 1998 contained only a single fund. From 2012 to 2024, Vintage Year data was comprised by between four and thirty-one funds. Sample size for any given Vintage Year is a product of several factors, including the voluntary nature of reporting and the historically low number of diverse private equity firms in existence.

## In Addition:

- All performance data is shown net of fees to Limited Partners, unless otherwise noted.
- All IRRs greater than one year are annualized.
- Vintage years are defined as First Cash Flow, Quartile Methodology, Rank Selected Sample.
- IRRs in excess of 1,000 percent are excluded from the average and standard deviation calculations.
- Please note that no NAIC member funds reported performance for vintage years 1999, 2002-2004, 2008 or 2010. These gaps have been relatively consistent over the course of the NAIC's research, with 1999, 2001-2004 and 2008 also missing from the prior two studies.

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*

## Acknowledgements

The National Association of Investment Companies was formed in 1971 and serves as the trade association and largest network of diverse-owned alternative investment firms. NAIC's membership represents firms investing in emerging domestic and global mid-market opportunities. NAIC member firms collectively manage over \$465 billion in assets.

Throughout our rich history, NAIC member firms have invested in high-growth companies in the middle market across every major industry sector including business services, healthcare, infrastructure, natural resources, software, industrial manufacturing, consumer services and technology. NAIC members help build stronger, more agile companies by fostering growth through investments that produce superior returns for investors in addition to creating economic impact and job creation.

NAIC would like to thank those who contributed to compiling and the data within this report for their invaluable assistance:

### KPMG Staff

Joseph Fisher, Senior Lead Audit Partner  
Leda Barrett, Audit Senior Manager  
Bartosz Szewczyk, Senior Audit Associate

### GCM Grosvenor Staff

Shana C. Hall, Executive Director, Finance  
Brian Grzywacz, Executive Director, Finance  
Kyle Schlatmann, Principal, Finance

### NAIC Staff



**Robert L. Greene**  
President & CEO



**Carmen Ortiz-McGhee**  
Chief Operating Officer



**Kristen Perlman**  
Vice President, Marketing & Insights



**Nia White**  
NAIC Capital Access Advisor



**Jacquaniese "Jaye" Washington**  
Director, Programs & Initiatives

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice.\*\*

## Appendix: 2025 NAIC Member Firms (as of July 2025)

5th Century Partners	Clearlake Capital Group
645 Ventures	Collab Capital
A. Walker & Company	Collide Capital
Advantage Capital	Corridor Ventures
Advent Capital Management	Corsair Capital
AIN Ventures	Cross Rapids Capital
Akin Gump	Daraja Capital Partners
AmateMint Group	Demopolis Equity Partners
Amateras AEA	Development Partners International
Ansa Capital	DIGITAL
ArcLight Capital Partners	DigitalDx Ventures
Argand Partners	Dynasty Equity
Ariel Investments	Earnest Partners LLC
Arkview Capital	East Chop Capital
Artemis Real Estate Partners	Elizabeth Park Capital Management
Asland Capital Partners	EquiTrust Life Insurance Co.
Athena Capital	Ernst & Young
AUA Private Equity Partners	Exposition Ventures
Auldbrass Partners	Fairview Capital Partners
Author Capital Partners	FIC
Avance Investment Management	FVLCRUM Partners
Avant Bio	GCM Grosvenor
Avante Capital Partners	GenNx360 Capital Partners
AWS	GiantLeap Capital
B.I.G. Capital	Global Endowment Management
Barings	Grain Management
Basis Investment Group	Greenberg Traurig
Baton Valley	Halbar Partners
Belay Investment Group	Hamilton Lane
BharCap Partners	Harbor Bankshares Corporation
Black Ops Ventures	HarbourVest Partners
Black Star Fund	HarbourView Equity Partners
BlackRock	Heard Capital
Blackstone Strategic Partners	ICV Partners
BlueTree Venture Capital	Illumen Capital
Botany Bay Investments	IMB Partners
Boyd Street Ventures	Impel Capital
Brasa Capital Management	Indago Capital
Bregal Sagemount	Invictus Growth Partners
Brewer Lane Ventures	J.P. Morgan Asset Management
Brightwood Capital Advisors	Kah Capital Management
Brown Venture Group	Kirkland & Ellis
Cabrera Capital Markets	Knox Lane
Carrick Capital Partners	L'Attitude Ventures
Caro Investors	L2 Point Management
CFI Partners	Lafayette Square
Chingona Ventures	Latimer Partners
Circuit Avenue Partners	Latimer Ventures
Citrin Cooperman	Laurel Oak Capital Partners

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice.\*\*

## Appendix: 2025 NAIC Member Firms (as of July 2025)

Leeds Illuminate	Sycamore Partners
Lightspring Capital Partners	The Copia Group
Lockton	The HiGro Group
Lumos Capital Group	The Rock Creek Group
MaC Venture Capital	The Vistria Group
Madryn Asset Management	Third Culture Capital (3CC)
Mako Capital Group	Tola Capital
MarcyPen Capital	Trenches Capital Management
MAYS//MOCK Capital Partners	Triad Investments
Metallum Ventures	Trident
Metis Global Partners	Tuatara Capital
Mighty Capital	UBS Financial Services
Mill Point Capital	Ulu Ventures
Mirabilis Partners	US Bank
Moderne Ventures	Valor Equity Partners
MPWR Capital Management	VamosVentures
Muller & Monroe Asset Management	Vibranium Capital Group
Neuberger Berman	Vinci Partners
New Catalyst Strategic Partners	Visionario Venture Capital
New Majority Capital Management	Vista Equity Partners
Newmarket Capital	Vuelta Capital
NexPhase Capital	Wayve Capital Management
o15 Capital Partners	Wells Fargo
Ocean Park Investments	William Blair
OceanSound Partners	Wind Point Partners
One Rock Capital Partners	WM Partners
Open Opportunity Fund	World One Investments
Palistar Capital	Z2Sixty Ventures
Palladium Equity Partners	ZimCal Asset Management
Pharos Capital Group	
Phoenix Merchant Partners	
Prosperise Capital	
Quartus Capital Partners	
Recast Capital	
Recognize	
Red Arts Capital	
REFASHIOND Ventures	
Reinventure Capital	
Sagard Holdings	
Sango Capital Management	
Sidley Austin	
Siris Capital Group	
Spindletop Capital	
Standard General	
Standard Real Estate Investments	
Stellex Capital Management	
StepStone Group	
Stonehenge Capital	

\*\*PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes and should not be considered investment advice. \*\*



LOS ANGELES FIRE AND POLICE PENSIONS

## Board Fiduciary and Legal Education

Public Pensions General Counsel  
February 5, 2026



# Learning Objectives

After this training, you will:

- ☐ **Understand** the legal framework for the System's independence.
- ☐ **Distinguish** between the Plan Sponsor's responsibility for plan design and the Board's responsibility for plan administration.
- ☐ **Recognize** what can and cannot be discussed in closed session.
- ☐ **Know** what a "public record" is and the circumstances under which System records must be disclosed or withheld.
- ☐ **Understand** the Board's role in the contracting process.





# Overview

1. System Independence
2. Plan Design v. Administration
3. Brown Act Closed Session Requirements
4. California Public Records Act
5. Board's Role in Contracting







# 1. System Independence



## Fiduciary Duties

- Commissioners must act as fiduciaries when making decisions for the system.
- A fiduciary relationship occurs when an individual is tasked and entrusted with the control and management of property for the benefit of another individual(s).
- Derived from Law of Trusts



## Board has plenary authority over public pension assets

- “the retirement board of a public pension or retirement system shall have **plenary authority and fiduciary responsibility** for investment of moneys and administration of the system”

Cal. Constitution, Article XVI § 17

TO SERVE  
THOSE  
WHO  
PROTECT





## Exclusive Benefit Rule

- The Board “shall have the **sole and exclusive fiduciary responsibility over the assets** of the [system].”
- The Board “shall also have **sole and exclusive responsibility to administer the system** in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries.”
- The assets of the system “are trust funds and shall be held for the **exclusive purposes** of providing benefits to participants... and their beneficiaries and defraying reasonable expenses of administering the system.”

Cal. Constitution, Article XVI, § 17(a)

Los Angeles Charter § 1106(b)



## Duty of Primary Loyalty

- Commissioners “shall discharge their duties with respect to the system **solely in the interest of, and for the exclusive purposes of** providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system.”
- “A retirement board’s **duty to its participants and their beneficiaries shall take precedence** over any other duty.”

Cal. Constitution, Article XVI, § 17(b)

Los Angeles Charter § 1106(a)



## Prudent Person Rule

- Fiduciary duty of care
- Board must always make decisions as a “prudent person” would
- The duty of prudence requires the exercise of reasonable care, skill, and caution
  - For investment decisions, this means a prudent expert (i.e., an investment professional)
  - Where Board lacks expertise, there is a duty to consult with experts (Staff, actuary, investment consultants, external auditors, attorneys)

Restatement 3d Trusts, secs. 77, 227



## Prudent Person Rule (cont'd)

Board must “Discharge its duties with respect to its system with the **care, skill, prudence, and diligence** under the circumstances then prevailing that a prudent person **acting in a like capacity and familiar with these matters** would use in the conduct of an enterprise of a like character and with **like aims.**”

Cal. Constitution, Article XVI, § 17(c)

Los Angeles Charter § 1106(c)



## What should you do if...

A City Councilmember's office calls you asking LAFPP to purchase and rehabilitate an abandoned shopping center in the Councilmember's district. The Councilmember's office reasons it's only fair, because LAFPP funds come in part from taxpayers. Also, rehabilitating the shopping center could vitalize the neighborhood and reduce crime in the area, and the investment would be profitable for LAFPP, making the purchase win-win.

- A. The Board must make this investment: as plan sponsor, City officials have direct input on how LAFPP funds are invested.
- B. The Board should make this investment based on the expected returns combined with the overall benefit to the City.
- C. This investment is prohibited: the Board cannot purchase property located in the City of Los Angeles.
- D. The Board should only invest in this property if it is one that a prudent expert investor would recommend, i.e., if its relative risk-return profile and asset class is consistent with the Board's Investment Policies. The Board cannot favor investments based on any benefits they might provide the City. Also, this opportunity would need to be brought to the Board through the referral process required in the Board's Investment Policies.

TO SERVE  
THOSE  
WHO  
PROTECT







## 2. Plan Design v. Administration



## Role of Plan Sponsor (City)

- Establishes the plan structure and design
- Sets benefit levels
- Creates vesting rules
- Funds the pension plan
- Confirms the General Manager
- Requires management audit at least every 5 years
- Cannot veto Board decisions

Los Angeles Charter secs. 1108, 1112, 1114





## Role of Plan Administrator (Board)

- Oversees administration of pension benefits
  - Prudent delegation of day-to-day operations to Staff and contractors
- Invests plan funds
- Evaluates investment performance
- Provides for actuarial services to assure competency of plan assets
- Adopts rules and regulations necessary to carry out administration of system
- Appoints General Manager
- Controls LAFPP's funds
- Designates custodian
- Holds title to real property

Los Angeles Charter secs.1106, 1108, 1110, 1116





## **3. Brown Act Closed Session Requirements**

## Brown Act

- The Ralph M. Brown Act is a state law that governs open meetings for local government bodies, including the Board.
- The purpose of the Brown Act is to facilitate public participation in local government decisions and curb misuse of the democratic process.

Gov. Code § 54950 *et seq.*



# When can Board meet in closed session?

TO SERVE  
THOSE  
WHO  
PROTECT

- Personnel exception
  - To discuss the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee, or to hear charges or complaints against the employee
  - Gov. Code § 54957(b)
- Threats to security
  - Includes HQ or cybersecurity
  - Gov. Code § 54957(a)



## When can Board meet in closed session? (cont'd)

TO SERVE  
THOSE  
WHO  
PROTECT

- Real estate negotiations
  - Only to discuss price and terms of payment of the purchase/sale/lease.
  - Before closed session, must publicly identify the property, persons negotiating on Board's behalf, and persons with whom Board's representatives are negotiating.
  - Gov. Code § 54956.8
- Alternative investment purchase or sale
  - Gov. Code § 54956.81



## When can Board meet in closed session? (cont'd)

- Pending litigation
  - (i) litigation has been formally initiated,
  - (ii) the Board is meeting to decide whether to initiate litigation, or
  - (iii) in the opinion of the Board and its attorneys, based on existing facts and circumstances, there is a significant exposure to litigation.

Gov. Code § 54956.9

TO SERVE  
THOSE  
WHO  
PROTECT







## Closed session is confidential

- Unauthorized disclosure of confidential information acquired in closed session is prohibited.
- Board vote required prior to disclosure of confidential information.

TO SERVE  
THOSE  
WHO  
PROTECT





## 4. California Public Records Act

## CPRA Fundamental Principles

- Purpose of the CPRA is to give the public access to information so they can monitor their government.
- Government records shall be disclosed to the public unless they are specifically exempt.
  - Gov. Code § 7922.530(a)





## What is a public record?

- Any writing containing information relating to the conduct of the public's business
- Prepared, owned, used, or retained by any state or local agency
- Regardless of physical form or characteristics.
  - Gov. Code § 7920.530



## What is a public record? (cont'd)

- **Writing** means
  - Handwriting
  - Typewriting
  - Printing
  - Photograph
  - “Every other means of recording upon any tangible thing any form of communication or representation[.]” Includes electronic communications. Gov. Code § 7920.545
- But not **unwritten information**
  - Not required to compile information in written form or create a new record
  - Do have to help requester shape their request. Gov. Code § 7922.600

## CPRA Exemptions

- Personal privacy (DoB, personal contact info, health info, benefit selections, beneficiary designations (unless receiving payment)). Gov. Code § 7927.700
  - Information about individual's qualifications (i.e., resume info) not exempt.
  - Information of wrongdoing not exempt
  - Police officers and retirees have additional protections
- Trade secrets. Gov. Code § 7927.605
- Attorney-client privileged communications and attorney work product. Gov. Code § 7927.705
  - And any other disclosures prohibited by state or federal law
- Certain alternative investment information. Gov Code § 7928.710



## CPRA Exemptions (continued)

- Closed session materials. Gov. Code § 54957.2
- Balancing test: public interest served by not disclosing the record clearly outweighs public interest served by disclosure. Gov. Code § 7922.000
  - Contract drafts and RFP bid documents until the negotiations are completed.
  - Deliberative process
    - *Times Mirror Co. v. Superior Court*, 53 Cal. 3d 1325 (1991)

## What about communication on my private device/account?

- Communications pertaining to city business are “public records” subject to CPRA production, even if they are sent or received via private devices or accounts.
  - Text messages on personal phone
  - Emails in personal account
  - Personal social media account posts/DMs
- “Employees’ communications about official agency business may be subject to CPRA regardless of the type of account used in their preparation or transmission.” *San Jose v. Superior Court (Smith)*, 2 Cal.5th 608 (2017).

TO SERVE  
THOSE  
WHO  
PROTECT





## CPRA Disputes

- Prevailing plaintiff (requester) gets attorney's fees.
  - Prevail = get any records that were previously denied, even 1 page
- Prevailing defendants (public agency) only get costs, fees when requestor's claim is clearly frivolous.





## Applying your understanding

Which of the following is **not** a public record subject to CPRA disclosure:

- A. Closed-session Board materials containing the investment consultant's proprietary analysis of a private equity manager the Board is considering investing with.
- B. Text messages on your personal cell phone between you and another Commissioner where you briefly update them on a Board meeting item they missed.
- C. The executed contract between LAFPP and its property manager.
- D. Your Commissioner bio on the LAFPP website.





## **5. Board's Role in Contracting**



## City Ethics Ordinance: LAMC § 49.5.11(A)

***Except at a public meeting***, a member of a City board or commission ***shall not participate*** in the development, review, evaluation, or negotiation of or the recommendation process for bids, proposals, or any other requests for the award or termination of a contract, amendment, or change order involving that board, commission, or agency....



## But what about the Board packet?

LAMC § 49.5.11(A) *continued*

....This does not preclude individual members from reviewing documents and other information provided by agency staff when preparing for a public meeting at which the matter will be considered.

TO SERVE  
THOSE  
WHO  
PROTECT





## Policy Rationales

- Transparency
- Fairness & integrity
- Public confidence in government contracts
- Preventing undue influence
- Equal access to information for all Commissioners

TO SERVE  
THOSE  
WHO  
PROTECT



## Practical Impact

- Commissioners should not discuss with Staff or be involved in any part of contracting process except during Board meetings
- Do not seek introductions to prospective contractors (at conferences or elsewhere)
  - Have a prepared response in case approached by a prospective contractor
    - Ex: Sorry, I can't talk Board business outside of a meeting. You're welcome to check the LAFPP website for any open opportunities.



## Recusal to Serve Public Interest

- Charter Section 222 authorizes City Attorney to provide written advice “where it would **violate state law or where it may not be in the public interest**” for a Commissioner “to act in a particular matter, contract, sale or transaction.”
- City Attorney has advised that Commissioners recuse themselves for violating LAMC 49.5.11(A)







## What should you do if...

You learn of a promising investment manager and think the firm's strategy would be a great fit for LAFPP's alternative investment allocation. LAFPP is currently under allocated in this asset class.

- A. Realize you need to stop reading about the financial industry if you are going to stay compliant with the City's Ethics Ordinance.
- B. Because you know LAFPP policies and City ethics laws prevent you from participating in contracting decisions outside of a Board meeting, you provide the CIO with information about the investment manager and proposed fund investment and how the investment was brought to your attention; the CIO will then make the referral to the Private Equity Consultant.
- C. Reach out to the investment manager, but emphasize that you are only gathering background information on the firm and that the decision to retain them will have to follow established protocol.
- D. Notify the CIO that, because your prior knowledge of the manager constitutes unauthorized due diligence, LAFPP is now prohibited from hiring the manager.

TO SERVE  
THOSE  
WHO  
PROTECT





**Questions?**



**Miguel Bahamon**, Deputy City Attorney  
**Joshua Geller**, Assistant City Attorney  
Public Pensions General Counsel Division  
Office of the Los Angeles City Attorney

[miguel.bahamon@lacity.org](mailto:miguel.bahamon@lacity.org)  
[joshua.geller@lacity.org](mailto:joshua.geller@lacity.org)