

City of Quincy Retirement System

September 30, 2023

Interim Update

Agenda

1. Executive Summary
 - September Market Overview
 - Manager Highlights
2. Interim Update as of September 30, 2023
3. Current Issues
 - Private Infrastructure Search – Finalist Review
 - Small Cap Value Equity – RFP Respondent Review
4. Disclaimer, Glossary & Notes
5. Appendix
 - Overview of OCIO and PERAC Memo

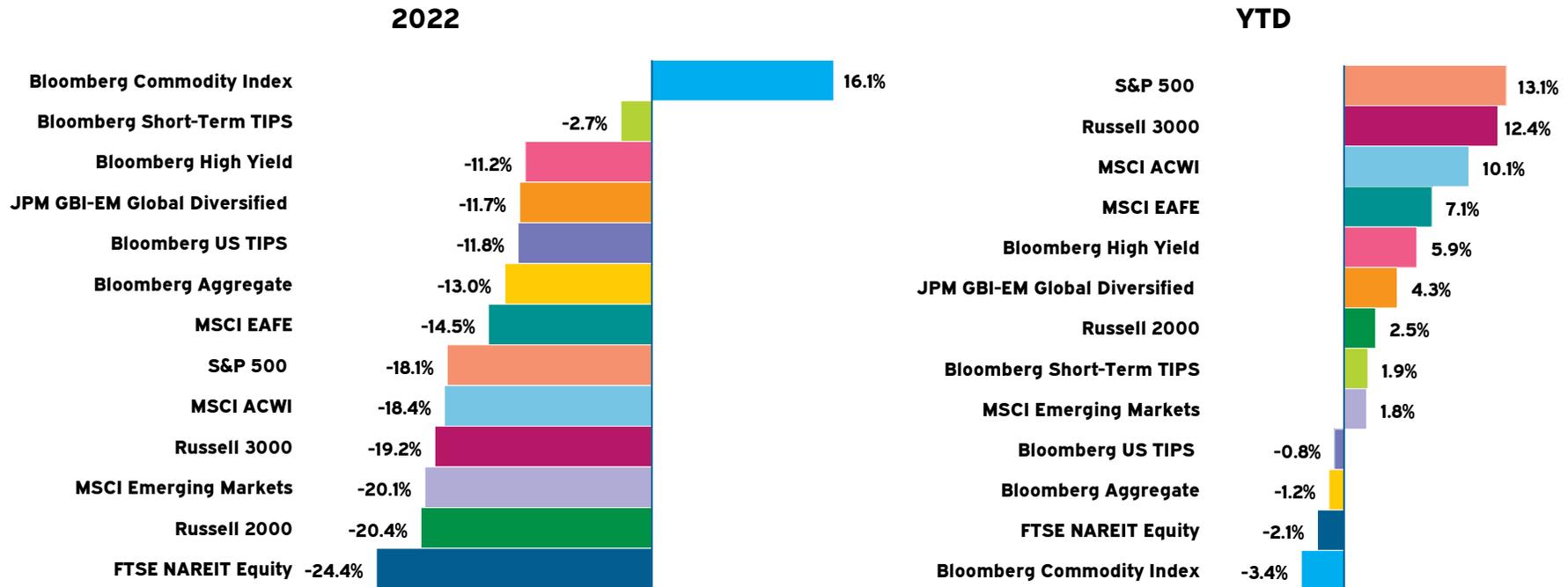
Executive Summary

Economic and Market Update
Data as of September 30, 2023

Commentary

- After a strong July, global assets turned negative in August and September as expectations shifted to the Fed keeping interest rates higher for longer. Weakening economic data from Europe and China, as well as further instability in the Chinese real estate sector and a strong US dollar, weighed on results.
- The Federal Open Markets Committee (FOMC) increased policy rates in July by 0.25% to a range of 5.25% - 5.5% and kept rates at that level at their September meeting. Markets are now largely expecting the FOMC to maintain interest rates at this level through the first half of next year.
 - US equity markets (Russell 3000 index) fell in the third quarter (-3.3%), bringing the year-to-date gains to 12.4%. The technology sector remains the key driver of results this year, helped by artificial intelligence optimism.
 - Non-US developed equity markets declined more than the US in the third quarter (MSCI EAFE -4.1%) with the strength of the US dollar adding 2.8% to the quarterly declines. This widened the gap between US and international developed equities for the year (12.4% versus 7.1%).
 - Emerging market equities experienced the smallest declines in the third quarter (-2.9%). Negative results were driven by China and again the strong US dollar. Emerging markets continue to significantly trail developed market equities year-to-date, returning just 1.8%, again driven by China.
 - Interest rates generally rose over the quarter, particularly for longer-dated maturities. The broad US bond market fell (-3.2%) for the quarter and turned negative (-1.2%) year-to-date, as higher income has offset capital losses from rising rates.
- For the rest of this year, the paths of inflation and monetary policy, slowing global growth, and the wars in Ukraine and Israel will all be key.

Index Returns¹



→ After a particularly difficult 2022, most public market assets are up thus far in 2023, led by developed market equities.

→ While hopes for a soft landing remain in place, the prospect of higher interest rates for longer weighed on market sentiment in August and September.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Domestic Equity Returns¹

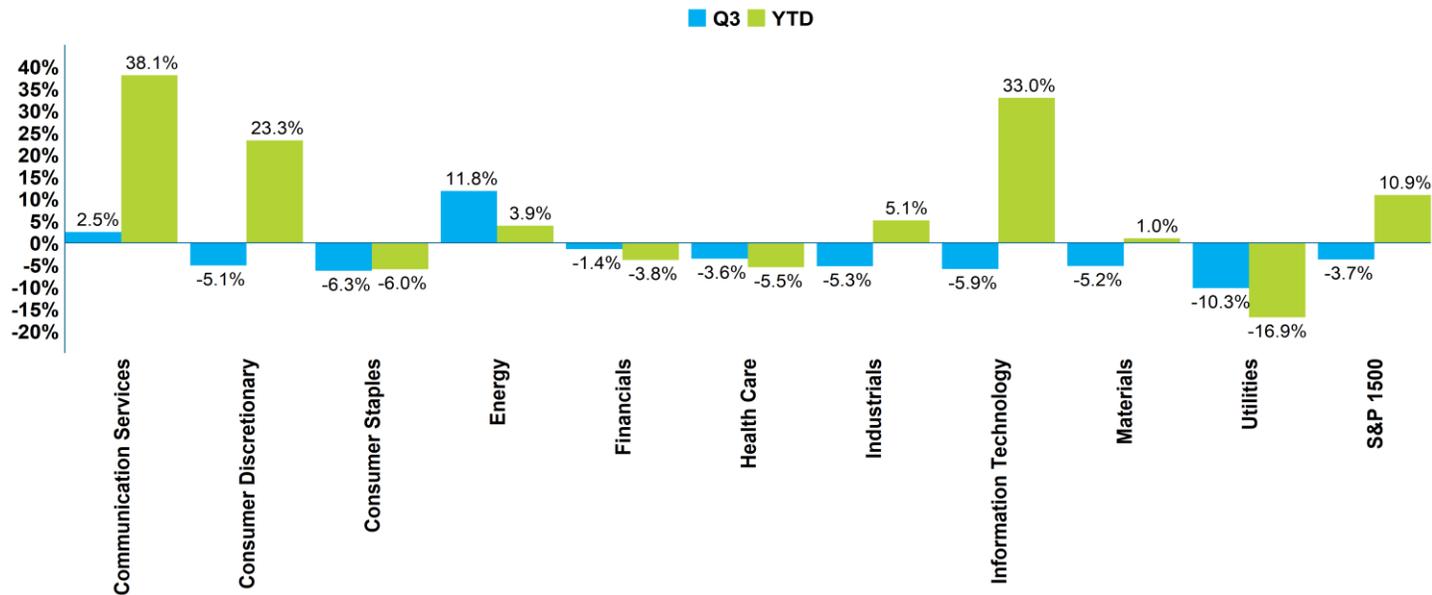
Domestic Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-4.8	-3.3	13.1	21.6	10.2	9.9	11.9
Russell 3000	-4.8	-3.3	12.4	20.5	9.4	9.1	11.3
Russell 1000	-4.7	-3.1	13.0	21.2	9.5	9.6	11.6
Russell 1000 Growth	-5.4	-3.1	25.0	27.7	8.0	12.4	14.5
Russell 1000 Value	-3.9	-3.2	1.8	14.4	11.1	6.2	8.4
Russell MidCap	-5.0	-4.7	3.9	13.4	8.1	6.4	9.0
Russell MidCap Growth	-4.9	-5.2	9.9	17.5	2.6	7.0	9.9
Russell MidCap Value	-5.1	-4.5	0.5	11.0	11.0	5.2	7.9
Russell 2000	-5.9	-5.1	2.5	8.9	7.2	2.4	6.6
Russell 2000 Growth	-6.6	-7.3	5.2	9.6	1.1	1.6	6.7
Russell 2000 Value	-5.2	-3.0	-0.5	7.8	13.3	2.6	6.2

US Equities: The Russell 3000 Index fell 3.3% in the third quarter but is up 12.4% YTD.

- US stocks fell 3.3% in the third quarter as healthy economic data and comments from the Fed caused investors to expect interest rates to remain higher for longer.
- Large cap stocks outperformed small cap stocks during the quarter, bringing their year-to-date outperformance to over 10%. The so called “Magnificent Seven” within the large cap market drove most of this outperformance despite a weak third quarter.
- Energy strongly led the way during the quarter posting double-digit gains while most other sectors declined. Oil prices rose after Saudi Arabia and Russia extended output cuts.

¹ Source: Bloomberg. Data is as of September 30, 2023.

S&P 1500 Sector Returns¹



→ Except for energy, which benefited from rising oil prices, all sectors were down in the third quarter.

→ So far in 2023, the communication services (+38.1%) and technology (+33.0%) sectors had the best results on artificial intelligence optimism. Given the continued strength in the US consumer the consumer discretionary sector followed (+23.3%), while more defensive sectors like utilities (-16.9%) and consumer staples (-6.0%) have trailed.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Foreign Equity Returns¹

Foreign Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-3.2	-3.8	5.3	20.4	3.7	2.6	3.3
MSCI EAFE	-3.4	-4.1	7.1	25.6	5.8	3.2	3.8
MSCI EAFE (Local Currency)	-1.1	-1.3	10.7	20.3	10.8	5.7	6.8
MSCI EAFE Small Cap	-4.4	-3.5	1.8	17.9	1.1	0.8	4.3
MSCI Emerging Markets	-2.6	-2.9	1.8	11.7	-1.7	0.6	2.1
MSCI Emerging Markets (Local Currency)	-1.8	-1.4	4.0	10.9	0.6	2.7	4.9
MSCI China	-2.8	-1.9	-7.3	5.2	-14.3	-4.2	1.7

Foreign Equity: Developed international equities (MSCI EAFE) fell 4.1% in the third quarter bringing the YTD gain to 7.1%. Emerging market equities (MSCI EM) fell 2.9% in the period, rising 1.8% YTD.

- Outside of the US, equities were also weak during the third quarter with the continued strength of the US dollar being a key driver.
- Eurozone shares felt pressure from slowing GDP growth and an interest rate hike by the ECB, although inflation continued to ease. By contrast, the UK saw modest gains amid promising economic data including slowing inflation and GDP back around pre-pandemic levels. Japan outperformed regional peers for the quarter due in part to strong earnings.
- Emerging market performance, while negative, outpaced developed peers. Chinese markets saw losses in-line with other emerging market countries, driven largely by unease surrounding property company Evergrande and a continued lackluster reopening of the economy.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Fixed Income Returns¹

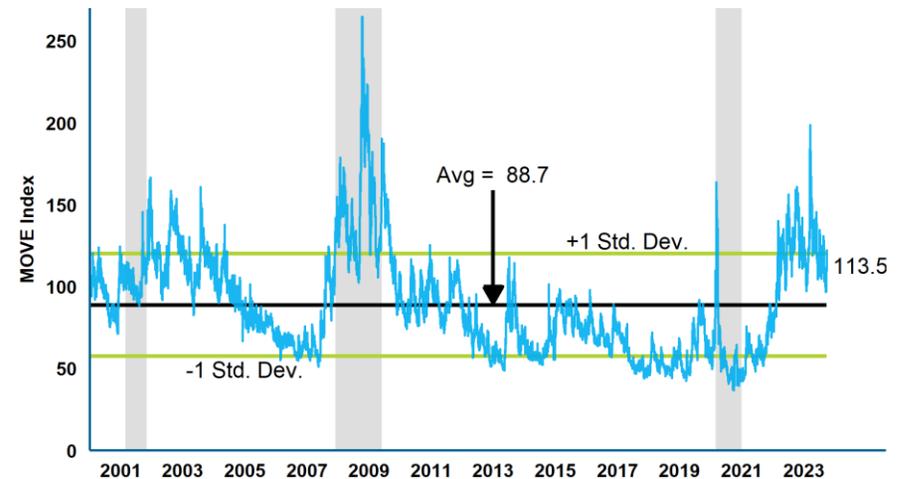
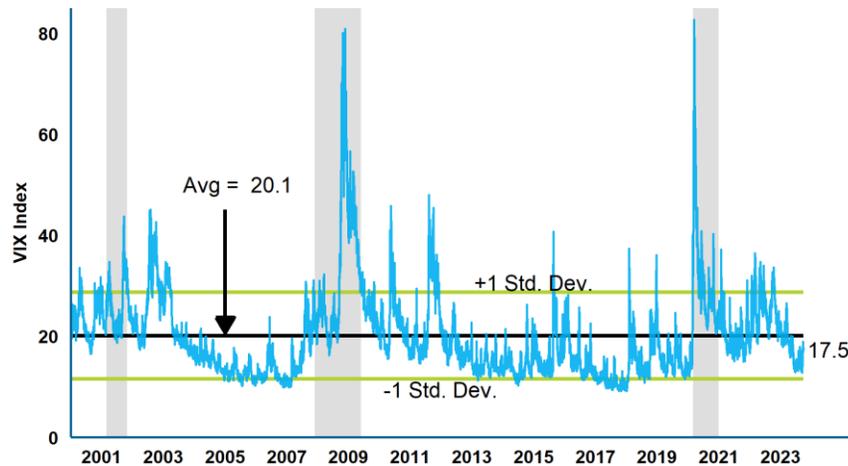
Fixed Income	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-2.4	-2.9	-0.6	1.6	-4.7	0.3	1.4	5.7	6.0
Bloomberg Aggregate	-2.5	-3.2	-1.2	0.6	-5.2	0.1	1.1	5.4	6.2
Bloomberg US TIPS	-1.8	-2.6	-0.8	1.2	-2.0	2.1	1.7	5.0	6.6
Bloomberg Short-term TIPS	-0.2	0.4	1.9	3.2	1.9	2.8	1.7	5.4	2.5
Bloomberg High Yield	-1.2	0.5	5.9	10.3	1.8	3.0	4.2	8.9	4.0
JPM GBI-EM Global Diversified (USD)	-3.4	-3.3	4.3	13.1	-2.7	0.0	-0.8	6.9	4.9

Fixed Income: The Bloomberg Universal index declined 2.9% in the third quarter and -0.6% YTD.

- The downgrade of US government debt from AAA to AA+ by Fitch combined with expectations for higher borrowing put upward pressure on longer-term rates for the quarter and weighed on overall results. Expectations for policy rates to remain higher for longer than previously expected also contributed to the decline in bonds.
- The broad US bond market (Bloomberg Aggregate) fell 3.2% for the quarter bringing YTD results into negative territory. The broader TIPS index fell by 2.6%, while the less interest-rate-sensitive short-term TIPS index outperformed most sectors, up 0.4%.
- High yield bonds were the strongest quarterly performers, up 0.5%, while emerging market bonds were the weakest performer, falling 3.3%. The two asset classes remain the top performers for the year as risk appetite in credit markets remains robust.

¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of September 30, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

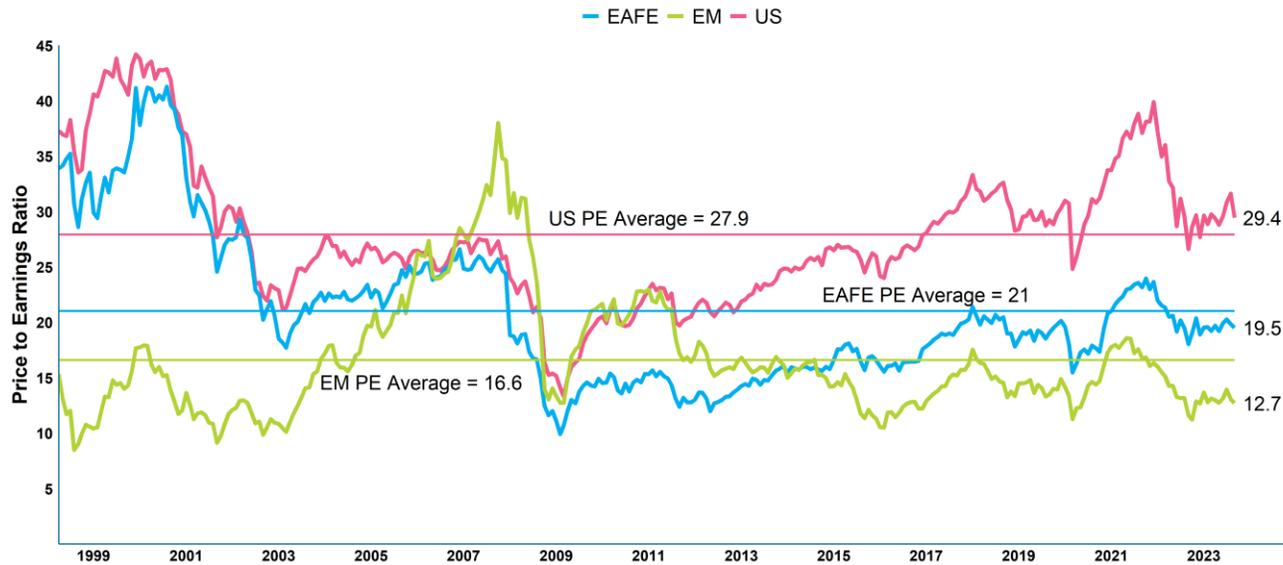
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) increased over the quarter but finished at a level below the long-term average. The recent increase in equity volatility has largely been driven by investors coming to terms that interest rates might remain higher for a longer period.
- In comparison, volatility in the bond market (MOVE) remains well above its long-run average (88.7) after last year's historic losses and due to continued policy uncertainty. Over the quarter, fixed income volatility finished slightly higher compared to where it started, like equities, driven by expectations for rates to stay higher for longer.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of September 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and September 2023.

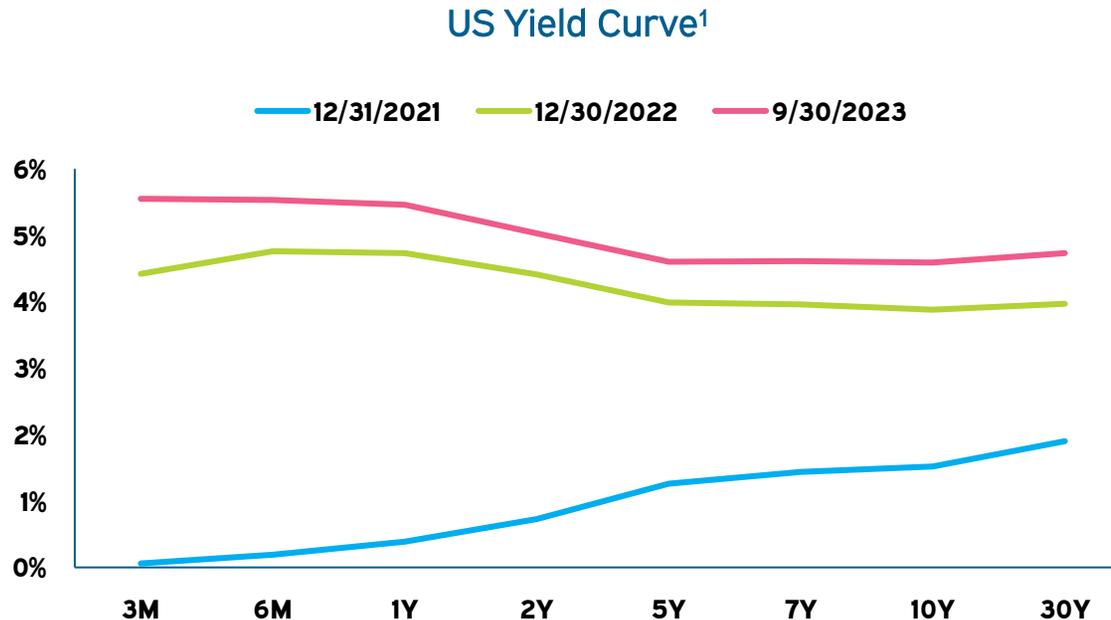
Equity Cyclically Adjusted P/E Ratios¹



→ Given the strong technology-driven rally this year, the US equity price-to-earnings ratio increased above its long-run (21st century) average. With the equity market decline in August and September the P/E ratio fell from its recent peak.

→ International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average (close to one standard deviation below).

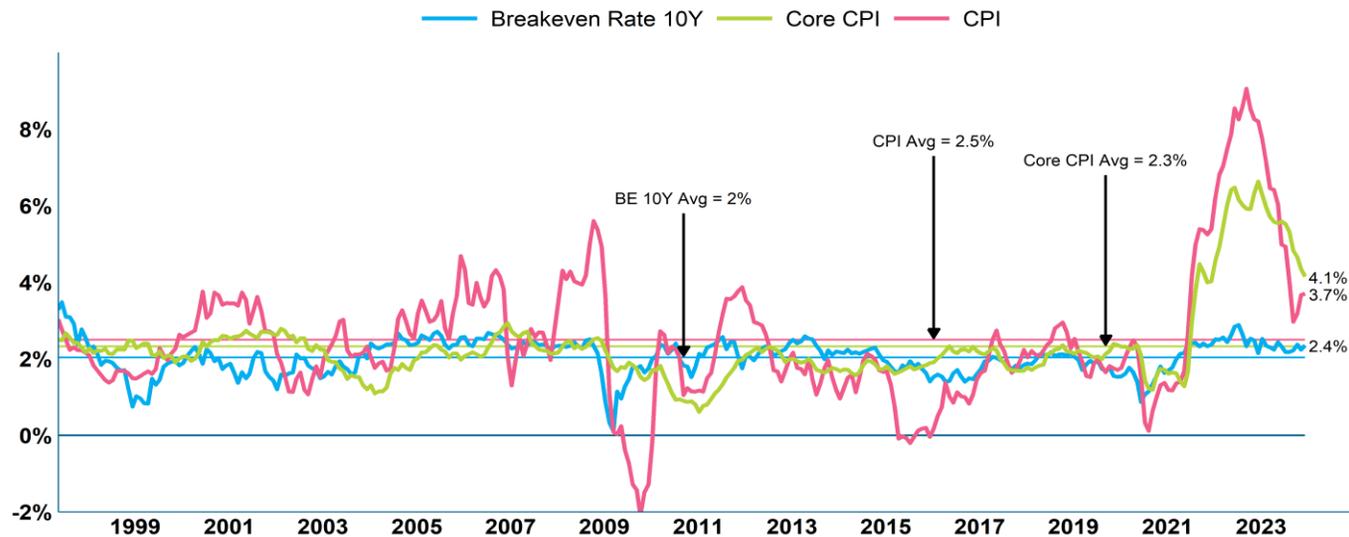
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of September 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.



- Overall rates have continued to increase this year, particularly at the policy sensitive front-end of the yield curve, but at much slower pace compared to last year.
- Over the quarter, very short-term interest rates (two years or less) increased only slightly as monetary policy has likely reached close to its terminal rate for this cycle. By contrast, longer-term rates rose dramatically as US debt was downgraded and investors came to terms with rates remaining higher for longer. The ten-year Treasury yield increased from 3.8% to 4.6% over the quarter.
- Because of the dynamic above, the yield curve's inversion decreased with the spread between two-year and ten-year Treasuries finishing the quarter at -0.47% (it started the quarter at -1.05%).

¹ Source: Bloomberg. Data is as of September 30, 2023.

Ten-Year Breakeven Inflation and CPI¹

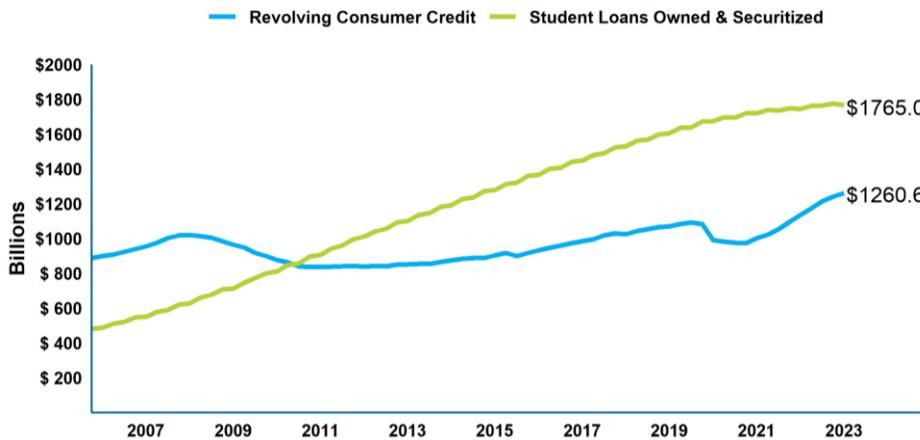


- After the steady decline in inflation from the June 2022 peak, consumer prices recently increased driven by energy prices.
- Year-over-year headline inflation was flat at 3.7% coming in slightly higher than expectations as improvements in energy prices were offset by higher shelter costs.
- Core inflation – excluding food and energy – continued its decline (4.3% to 4.1%) year-over-year. It remains stubbornly high, though, driven by shelter costs (+7.2%), particularly owners’ equivalent rent, and transportation services (+9.1%).
- Inflation expectations (breakevens) remain well below current inflation as investors continue to expect inflation to track back toward the Fed’s 2% average target.

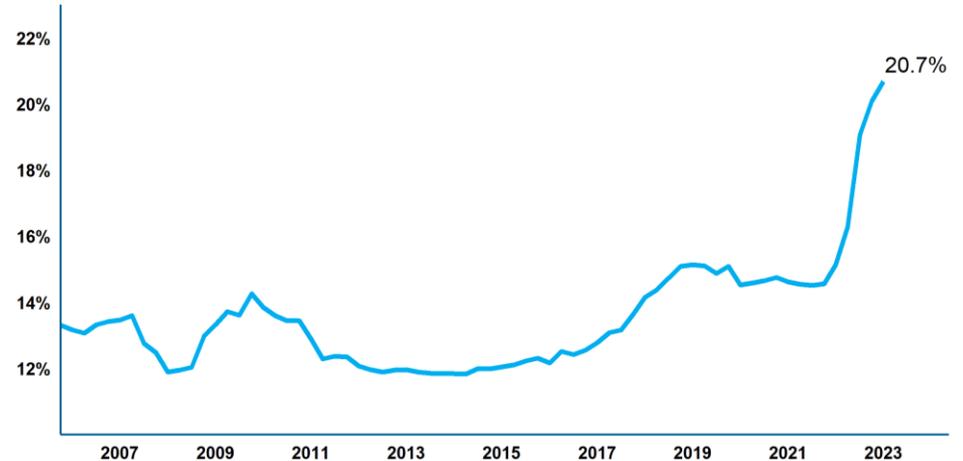
¹ Source: FRED. Data is as September 30, 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

US Consumer Under Stress¹

Revolving Consumer Credit & Student Loans (\$B)



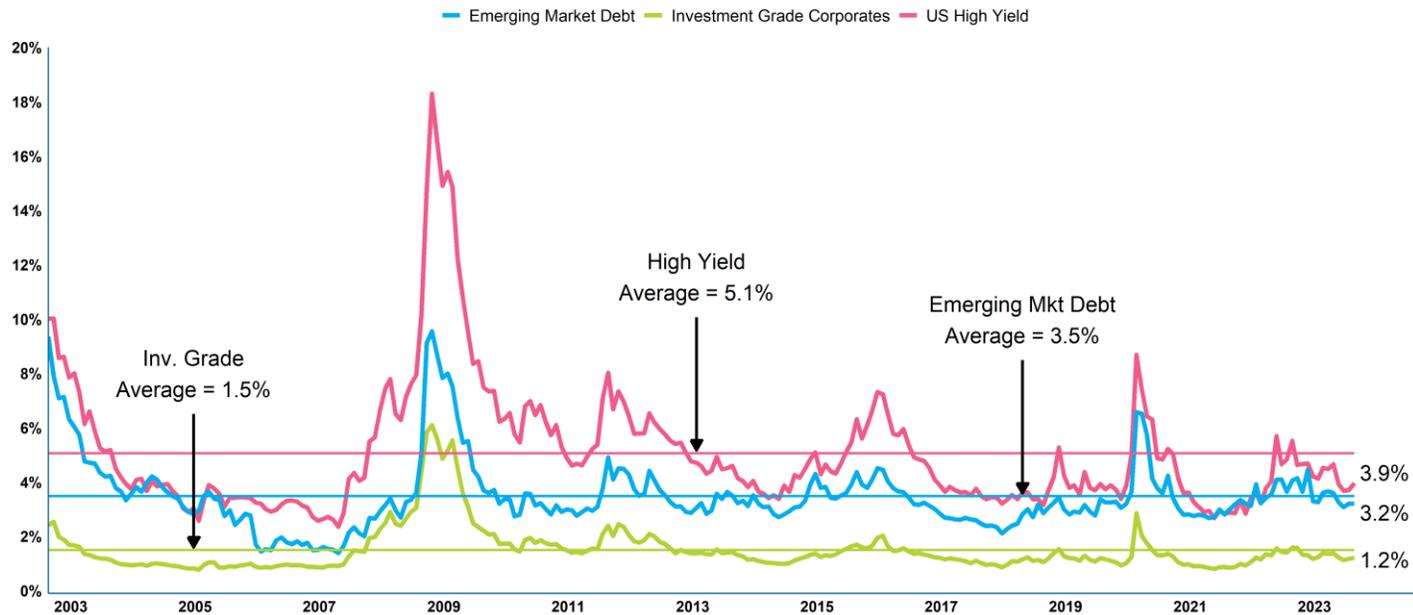
Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been an important driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s).
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially balanced by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumers will remain key as they make up most of domestic growth (GDP).

¹ Source: FRED. The most recent data is as June 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

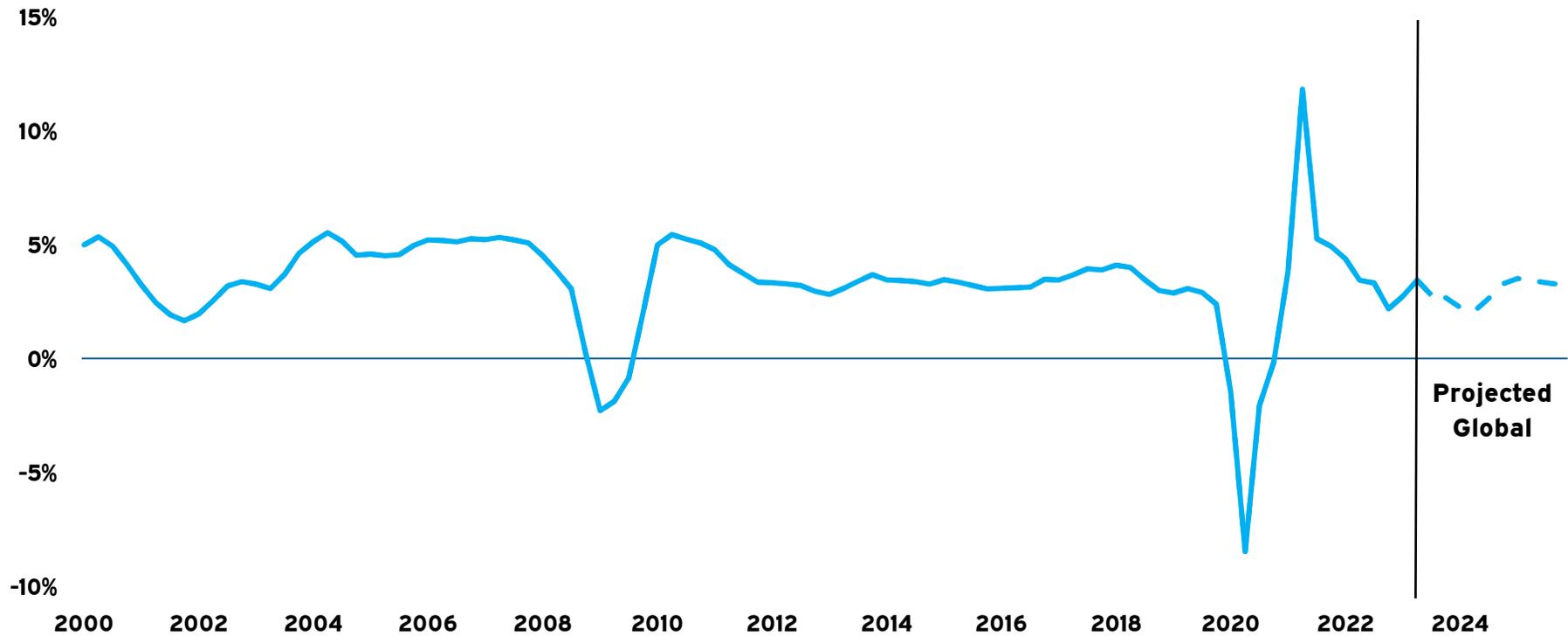
Credit Spreads vs. US Treasury Bonds¹



- Credit spreads (the added yield above a comparable maturity Treasury) largely remained unchanged over the quarter.
- High yield spreads remain well below the long-term average given the overall risk appetite this year. Investment grade and emerging market spreads are also below their respective long-term averages, but by smaller margins.

¹ Sources: Bloomberg. Data is as of September 30, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Global Real Gross Domestic Product (GDP) Growth¹

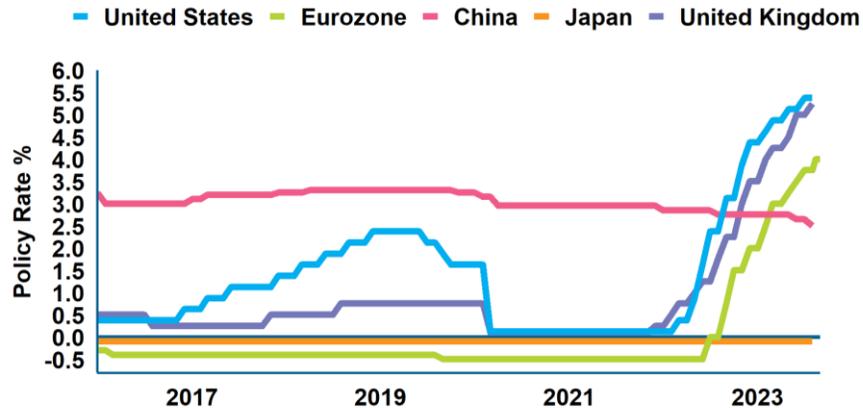


- Global economies are expected to slow this year compared to 2022. The risk of recession remains elevated given policymakers' aggressive tightening, but optimism has started to grow over some central banks potentially navigating a soft landing.
- The delicate balancing act of central banks trying to reduce inflation without dramatically disrupting labor markets and depressing economic growth, will remain key.

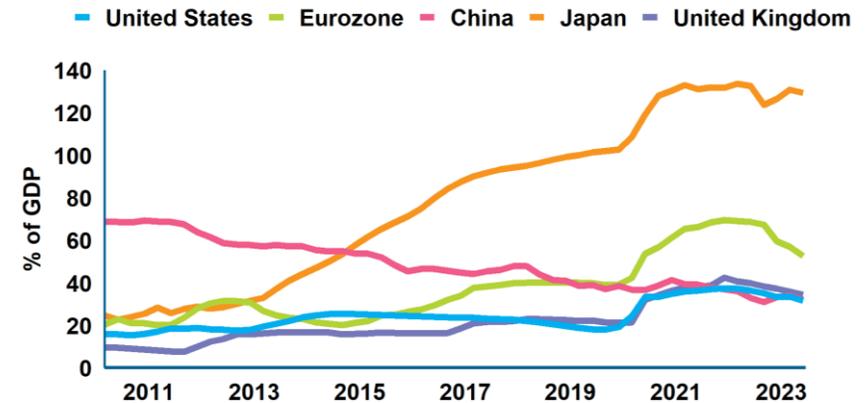
¹ Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated September 2023.

Central Bank Response¹

Policy Rates



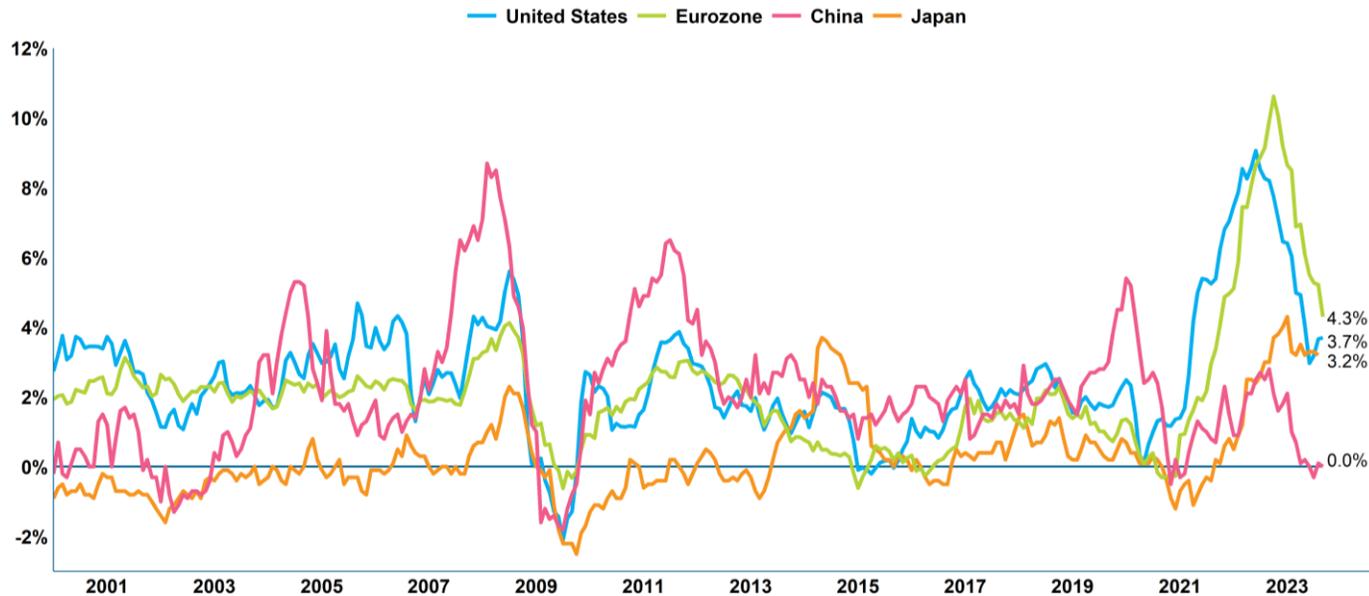
Balance Sheet as % of GDP



- Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- In July the Fed raised rates another 25 basis points to a range of 5.25% to 5.50% and then kept rates at this level at their September meeting. Markets are expecting at most one more hike later this year.
- The European Central Bank also increased rates in July, with an additional hike in September, but rates remain lower than in the US. In Japan, expectations have increased that the BOJ will end its negative interest rate policy due to rising inflation.
- The central bank in China has continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- Risks remain for a policy error as central banks attempt to balance bringing down inflation, maintaining financial stability, and supporting growth.

¹ Source: Bloomberg. Policy rate data is as of September 30, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of June 30, 2023.

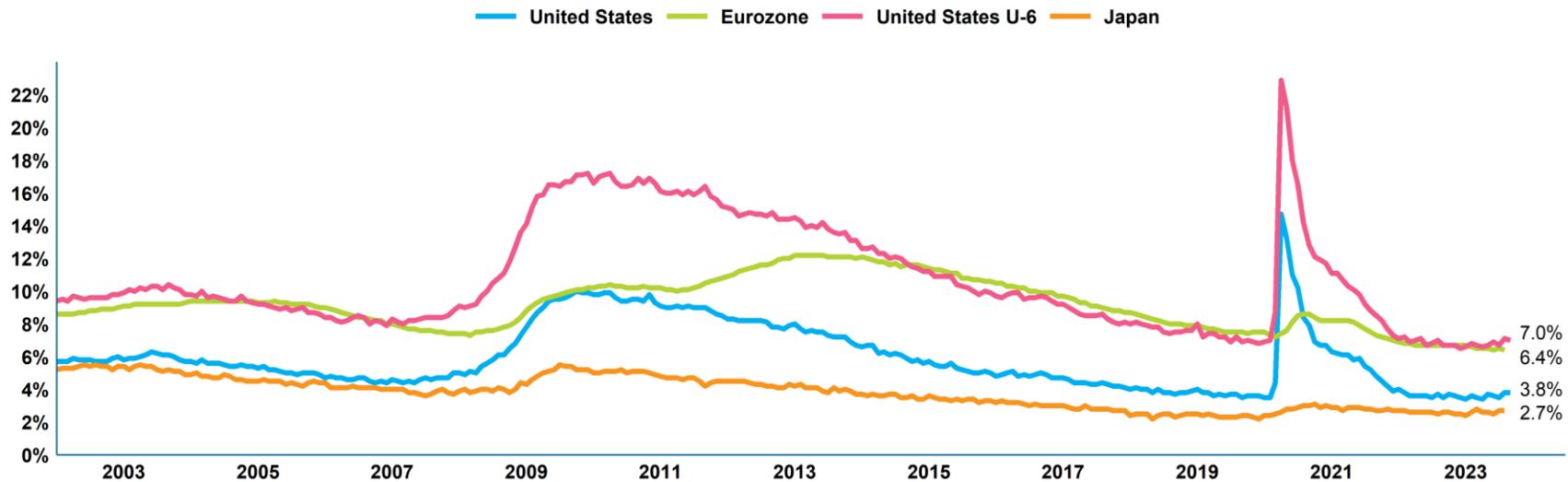
Inflation (CPI Trailing Twelve Months)¹



- The inflation picture remains mixed across the major economies.
- In the US, inflation was flat at 3.7%, influenced by rising shelter costs, while eurozone inflation remained higher than the US at 4.3%, a level well off its peak, however. Despite 2023's significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation in Japan has increased to levels not seen in almost a decade largely driven by food and home related items. In China, deflationary pressures eased but prices were flat from a year prior.

¹ United States CPI and Eurozone CPI – Source: FRED. Japan CPI and China CPI - Source: Bloomberg. Data is as September 30, 2023. The most recent data for Japanese and Eurozone inflation is as of August 2023.

Unemployment¹



- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. The pace of wage growth has slowed though, and despite remaining elevated, the number of job openings has declined from recent highs.
- In September, unemployment remained at 3.8%, a level only 0.2% higher than the start of the quarter. The labor force participation rate remained at 62.8% well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%). Broader measures of unemployment (U-6) finished the quarter at 7.0% up only slightly from the end of June (6.9%).
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been flat through the pandemic given less layoffs.

¹ Eurozone Unemployment - Source: Bloomberg. Japan, United States, United States U-6 Unemployment – Source: FRED. Data is as September 30, 2023, for the US. The most recent data for Eurozone unemployment is as of August 2023 and Japanese unemployment is as of August 2023.

US Dollar versus Broad Currencies¹



- After a strong 2022, the US dollar declined late last year and into early this year as weaker economic data and lower inflation led to investors anticipating the end of FOMC tightening.
- Recently though, the dollar reversed course and appreciated against major currencies as relative growth remains strong and investors anticipate the FOMC keeping interest rates higher for longer.
- For the rest of this year, the track of inflation across economies and the corresponding monetary policies will be key drivers of currency moves.

¹ Source: Bloomberg. Data as of September 30, 2023.

Summary

Key Trends:

- The impact of inflation still above policy targets will remain key, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecasted to tip into recession. However, optimism has been building that some economies could experience a soft landing. Inflation, monetary policy, and the war will all be key.
- In the US, consumers could feel pressure as certain components of inflation remain high (e.g., shelter), borrowing costs are elevated, and the job market may weaken.
- The key for US equities going forward will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including the potential for recent strength in the US dollar to persist, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.
- After month-end, heightened tensions in Israel could add to overall uncertainty and drive safe haven flows.

Manager Highlights

Brown Small Cap Fundamental Value

→ Brown outperformed its benchmark by 1.5% in the month of September, posting a return of -3.7% vs. the benchmark's -5.2%.

Quarterly Commentary:

- The strategy trailed initially, but then gained relative performance as the quarter progressed. The bulk of the relative outperformance was during August and, to a lesser extent, September. Across the market, high quality/high ROE was the most pronounced factor driving performance. Non-earners also materially underperformed. Energy was the strongest (and one of only two positive) performing sectors in the Index. While underweight, our investments in Oceaneering International and ChampionX enabled us to modestly outperform within energy. Consumer discretionary was the strongest source of outperformance, led by our investments in Vista Outdoors and Modine. Health care and IT were also sources of outperformance.

→ Since inception, Brown has returned 7.1%, slightly outpacing the Russell 2000 Value index by 0.1%, net of fees.

Acadian Emerging Markets Small Cap

→ Acadian outperformed its benchmark by 1.3% in the month of September, posting a return of -0.8% vs the benchmark's -2.1%.

- Key sources of positive active return included stock selection in India (+46 bps), a combination of stock selection and an overweight position in Taiwan (+28 bps), and stock selection in South Korea (+25 bps).
- From a sector perspective, key sources of positive active return included stock selection in industrials (+50 bps), stock selection in information technology (+37 bps), and stock selection in health care (+16 bps).

→ Since inception, Acadian has returned 7.4%, well outpacing the benchmark's 4.0% return, net of fees, over that period.

Axiom International Small Cap Equity

→ Axiom trailed its benchmark by 0.8%, returning -5.6% vs. the benchmark -4.8% during the month of September.

Quarterly Commentary:

- Axiom underperformed this quarter as growth lagged value globally. Markets were dominated this quarter by strength in the energy sector, driven by a nearly 30% rally in oil prices on the back of supply discipline underpinned by Saudi led OPEC production cuts. This rally in energy also contributed to a pause in the general trend towards moderating inflation, which weighed on growth stocks, including in technology, after a period of solid recovery earlier in the year.
- the largest relative detracting sector for the quarter was information technology, due to weakness in Japanese chip design maker Socionext, and Keywords Studios, a UK listed video game testing company on rising concerns about threats from AI. Industrials was also a relative detractor, with weakness in Finnish industrial lifting equipment maker, Konecranes, and leading German auto leasing company Sixt.
- The largest relative detractor from a country perspective was Japan on a relative basis. Companies like aforementioned Socionext and Vision, a Wi-Fi device rental company that saw concerns of potential slower travel ahead, detracted from performance. Italy also detracted for the quarter, with Amplifon, a leading hearing aid retailer, expressing concerns about slower than expected recovery.

→ Since inception, Axiom has returned 5.4%, trailing the benchmark's 6.8% return, net of fees.

Interim Update
As of September 30, 2023

Total Retirement System | As of September 30, 2023

Allocation vs. Targets and Policy				
	Current Balance	Current Allocation	Policy	Policy Range
US Equity	\$181,256,885	23%	24%	19% - 29%
Developed Market Equity	\$88,112,801	11%	13%	8% - 18%
Emerging Market Equity	\$61,611,380	8%	8%	3% - 13%
Investment Grade Bonds	\$64,472,797	8%	5%	2% - 8%
Long-Term Government Bonds	\$23,963,144	3%	7%	2% - 12%
TIPS	\$15,453,002	2%	4%	1% - 7%
Emerging Market Bonds	--	--	2%	0% - 4%
High Yield Bonds	\$39,840,336	5%	6%	3% - 9%
Bank Loans	\$8,811,452	1%	2%	0% - 4%
Private Equity	\$134,664,519	17%	14%	9% - 19%
Real Estate	\$81,722,146	10%	10%	5% - 15%
Natural Resources	\$16,514,201	2%	3%	0% - 6%
Infrastructure	\$13,054,846	2%	2%	0% - 5%
Opportunistic	\$36,849,389	5%	0%	0% - 5%
Balanced Assets	\$15,394,296	2%	--	--
Cash	\$19,223,551	2%	0%	0% - 5%
Total	\$800,944,747	100%	100%	
	Current Balance	Current Allocation	Policy	Policy Range
Total Equity Including PE	\$465,645,585	59%	59%	--
Total Fixed Income	\$152,540,731	19%	26%	--
Real Assets	\$111,291,193	14%	15%	--
Other	\$71,467,236	8%	0%	--

Asset Class Performance Summary												
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Total Retirement System (gross)	800,944,747	100.0	-2.5	-1.8	4.5	9.3	7.2	6.7	6.8	6.7	8.1	Jan-89
Total Retirement System			-2.5	-1.8	4.5	9.2	7.0	6.5	6.5	6.4	7.7	
Domestic Equity Assets	181,256,885	22.6	-4.7	-3.1	9.7	18.6	9.9	8.3	10.6	9.4	9.7	Jul-93
<i>Russell 3000</i>			<i>-4.8</i>	<i>-3.3</i>	<i>12.4</i>	<i>20.5</i>	<i>9.4</i>	<i>9.1</i>	<i>11.3</i>	<i>9.7</i>	<i>9.7</i>	<i>Jul-93</i>
International Developed Market Equity Assets	88,112,801	11.0	-3.8	-4.1	6.6	23.6	4.2	2.0	3.4	5.4	4.6	Feb-98
<i>MSCI EAFE</i>			<i>-3.4</i>	<i>-4.1</i>	<i>7.1</i>	<i>25.6</i>	<i>5.8</i>	<i>3.2</i>	<i>3.8</i>	<i>5.9</i>	<i>4.5</i>	<i>Feb-98</i>
International Emerging Market Equity Assets	61,611,380	7.7	-2.1	-1.1	7.3	14.1	1.9	6.0	4.1	--	5.8	Sep-08
<i>MSCI Emerging Markets</i>			<i>-2.6</i>	<i>-2.9</i>	<i>1.8</i>	<i>11.7</i>	<i>-1.7</i>	<i>0.6</i>	<i>2.1</i>	<i>7.3</i>	<i>2.4</i>	<i>Sep-08</i>
Investment Grade Bond Assets	64,472,797	8.0	-3.5	-5.1	-2.5	-1.6	-7.0	-1.1	0.5	2.5	3.9	Jul-93
<i>Bloomberg US Aggregate TR</i>			<i>-2.5</i>	<i>-3.2</i>	<i>-1.2</i>	<i>0.6</i>	<i>-5.2</i>	<i>0.1</i>	<i>1.1</i>	<i>2.8</i>	<i>4.2</i>	<i>Jul-93</i>
Long-Term Government Bond Assets	23,963,144	3.0	-3.9	-5.9	-3.2	-2.6	-7.5	0.0	--	--	0.8	Dec-15
<i>PRIT Core Fixed Income</i>			<i>-4.0</i>	<i>-6.1</i>	<i>-3.1</i>	<i>-2.5</i>	<i>-7.5</i>	<i>0.0</i>	<i>1.9</i>	<i>3.2</i>	<i>0.8</i>	<i>Dec-15</i>
TIPS Assets	15,453,002	1.9	-1.8	-2.6	-0.6	1.2	-2.0	2.1	1.7	--	3.2	Mar-07
<i>Bloomberg US TIPS TR</i>			<i>-1.8</i>	<i>-2.6</i>	<i>-0.8</i>	<i>1.2</i>	<i>-2.0</i>	<i>2.1</i>	<i>1.7</i>	<i>3.5</i>	<i>3.3</i>	<i>Mar-07</i>
High Yield Bond Assets	39,840,336	5.0	-1.0	0.8	5.5	9.4	2.4	3.4	3.9	--	5.3	Apr-07
<i>Bloomberg US High Yield TR</i>			<i>-1.2</i>	<i>0.5</i>	<i>5.9</i>	<i>10.3</i>	<i>1.8</i>	<i>3.0</i>	<i>4.2</i>	<i>6.5</i>	<i>5.8</i>	<i>Apr-07</i>
Bank Loan Assets	8,811,452	1.1	1.0	3.5	11.1	14.7	5.8	4.2	--	--	3.9	Aug-14
<i>Credit Suisse Leveraged Loans</i>			<i>0.9</i>	<i>3.4</i>	<i>9.9</i>	<i>12.5</i>	<i>5.9</i>	<i>4.3</i>	<i>4.3</i>	<i>4.7</i>	<i>4.2</i>	<i>Aug-14</i>
Total Real Estate	81,722,146	10.2	-3.3	-3.1	-6.8	-8.0	5.7	4.0	7.0	--	--	Jan-89
<i>NCREIF ODCE</i>			<i>-1.9</i>	<i>-1.9</i>	<i>-7.6</i>	<i>-12.1</i>	<i>7.1</i>	<i>5.7</i>	<i>8.2</i>	<i>7.6</i>	<i>7.1</i>	<i>Jan-89</i>

Some asset classes may show skewed performance relative to month over month changes in market value, this is due to PRIM General Allocation funds having their performance user entered while their market values are estimated using PRIM's current asset allocation.

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Private Equity Assets	134,664,519	16.8										
Natural Resources Assets	16,514,201	2.1										
Infrastructure Assets	13,054,846	1.6										
Opportunistic Assets	36,849,389	4.6										
Balanced Assets (PRIT General Allocation Fund)	15,394,296	1.9	-2.5	-1.6	4.9	9.3	7.2	6.6	7.5	7.7	8.2	Apr-90
<i>60% Wilshire 5000 & 40% Barclays Aggregate</i>			<i>-3.9</i>	<i>-3.2</i>	<i>6.9</i>	<i>12.4</i>	<i>3.8</i>	<i>6.0</i>	<i>7.5</i>	<i>7.3</i>	<i>8.3</i>	<i>Apr-90</i>
Cash	19,223,551	2.4										

Total Retirement System | As of September 30, 2023

	Trailing Net Performance												Inception (%)	Inception Date
	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)			
Total Retirement System (gross)	800,944,747	100.0	--	-2.5	-1.8	4.5	9.3	7.2	6.7	6.8	6.7	8.1	Jan-89	
Total Retirement System				-2.5	-1.8	4.5	9.2	7.0	6.5	6.5	6.4	7.7		
Domestic Equity Assets	181,256,885	22.6	22.6	-4.7	-3.1	9.7	18.6	9.9	8.3	10.6	9.4	9.7	Jul-93	
<i>Russell 3000</i>				<i>-4.8</i>	<i>-3.3</i>	<i>12.4</i>	<i>20.5</i>	<i>9.4</i>	<i>9.1</i>	<i>11.3</i>	<i>9.7</i>	<i>9.7</i>	<i>Jul-93</i>	
RhumbLine Russell 1000 Growth Index	25,233,749	3.2	13.9	-5.4	-3.1	24.9	27.7	8.0	12.4	14.4	--	11.2	Jun-05	
<i>Russell 1000 Growth</i>				<i>-5.4</i>	<i>-3.1</i>	<i>25.0</i>	<i>27.7</i>	<i>8.0</i>	<i>12.4</i>	<i>14.5</i>	<i>11.1</i>	<i>11.3</i>	<i>Jun-05</i>	
<i>Large Growth MStar MF Rank</i>				<i>48</i>	<i>30</i>	<i>26</i>	<i>25</i>	<i>18</i>	<i>8</i>	<i>4</i>	<i>--</i>	<i>15</i>	<i>Jun-05</i>	
<i>Large Growth MStar MF Median</i>				<i>-5.5</i>	<i>-3.7</i>	<i>22.0</i>	<i>24.7</i>	<i>5.0</i>	<i>9.4</i>	<i>12.1</i>	<i>10.1</i>	<i>10.0</i>	<i>Jun-05</i>	
RhumbLine Russell 1000 Value Index	26,766,267	3.3	14.8	-3.8	-3.2	1.8	14.4	11.0	6.2	8.4	--	7.2	Jun-05	
<i>Russell 1000 Value</i>				<i>-3.9</i>	<i>-3.2</i>	<i>1.8</i>	<i>14.4</i>	<i>11.0</i>	<i>6.2</i>	<i>8.4</i>	<i>8.2</i>	<i>7.3</i>	<i>Jun-05</i>	
<i>Large Value MStar MF Rank</i>				<i>76</i>	<i>73</i>	<i>54</i>	<i>60</i>	<i>71</i>	<i>67</i>	<i>62</i>	<i>--</i>	<i>65</i>	<i>Jun-05</i>	
<i>Large Value MStar MF Median</i>				<i>-3.4</i>	<i>-2.3</i>	<i>2.1</i>	<i>15.2</i>	<i>12.3</i>	<i>6.7</i>	<i>8.6</i>	<i>8.2</i>	<i>7.6</i>	<i>Jun-05</i>	
Rhumbline QSI Index	30,682,890	3.8	16.9	-5.0	-3.8	4.4	13.6	8.5	7.7	10.6	--	10.5	Aug-13	
<i>QSI Index</i>				<i>-5.0</i>	<i>-3.8</i>	<i>4.4</i>	<i>13.7</i>	<i>8.6</i>	<i>7.7</i>	<i>10.7</i>	<i>9.8</i>	<i>10.6</i>	<i>Aug-13</i>	
<i>Russell 3000</i>				<i>-4.8</i>	<i>-3.3</i>	<i>12.4</i>	<i>20.5</i>	<i>9.4</i>	<i>9.1</i>	<i>11.3</i>	<i>9.7</i>	<i>11.2</i>	<i>Aug-13</i>	
<i>Large Cap MStar MF Rank</i>				<i>67</i>	<i>70</i>	<i>72</i>	<i>84</i>	<i>58</i>	<i>64</i>	<i>49</i>	<i>--</i>	<i>51</i>	<i>Aug-13</i>	
<i>Large Cap MStar MF Median</i>				<i>-4.6</i>	<i>-3.2</i>	<i>10.4</i>	<i>19.9</i>	<i>9.3</i>	<i>8.5</i>	<i>10.5</i>	<i>9.4</i>	<i>10.5</i>	<i>Aug-13</i>	
Brown Small Cap Fundamental Value	17,054,183	2.1	9.4	-3.7	0.5	3.2	15.6	14.7	3.9	--	--	7.1	Jul-16	
<i>Russell 2000 Value</i>				<i>-5.2</i>	<i>-3.0</i>	<i>-0.5</i>	<i>7.8</i>	<i>13.3</i>	<i>2.6</i>	<i>6.2</i>	<i>7.7</i>	<i>7.0</i>	<i>Jul-16</i>	
<i>Small Value MStar MF Rank</i>				<i>23</i>	<i>18</i>	<i>48</i>	<i>46</i>	<i>69</i>	<i>68</i>	<i>--</i>	<i>--</i>	<i>73</i>	<i>Jul-16</i>	
<i>Small Value MStar MF Median</i>				<i>-4.7</i>	<i>-2.3</i>	<i>2.7</i>	<i>14.5</i>	<i>16.0</i>	<i>4.6</i>	<i>6.9</i>	<i>8.4</i>	<i>7.9</i>	<i>Jul-16</i>	
PRIT General Allocation Domestic Equity	81,519,796	10.2	45.0	-4.9	-3.6	11.8	20.0	--	--	--	--	-5.1	Jan-22	
<i>PRIT Domestic Equity Benchmark</i>				<i>-4.8</i>	<i>-3.3</i>	<i>11.9</i>	<i>20.0</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-5.2</i>	<i>Jan-22</i>	

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
International Developed Market Equity Assets	88,112,801	11.0	11.0	-3.8	-4.1	6.6	23.6	4.2	2.0	3.4	5.4	4.6	Feb-98
<i>MSCI EAFE</i>				-3.4	-4.1	7.1	25.6	5.8	3.2	3.8	5.9	4.5	Feb-98
SSgA MSCI EAFE Index	40,177,658	5.0	45.6	-3.4	-4.1	7.4	26.0	6.1	3.6	4.1	--	5.0	Oct-09
<i>MSCI EAFE</i>				-3.4	-4.1	7.1	25.6	5.8	3.2	3.8	5.9	4.8	Oct-09
<i>Foreign MStar MF Rank</i>				35	38	27	27	30	28	39	--	55	Oct-09
<i>Foreign MStar MF Median</i>				-3.8	-4.7	5.5	22.0	3.7	2.8	3.8	6.2	5.2	Oct-09
Axiom International Small Cap Equity	10,499,014	1.3	11.9	-5.6	-4.3	1.7	11.5	-4.1	--	--	--	5.4	May-20
<i>S&P Developed Ex-U.S. SmallCap</i>				-4.8	-3.7	2.9	19.8	1.2	0.8	4.2	7.5	6.8	May-20
<i>MSCI EAFE Small Cap</i>				-4.4	-3.5	1.8	17.9	1.1	0.8	4.3	7.3	6.4	May-20
PRIT General Allocation Int. Equity	37,436,130	4.7	42.5	-3.8	-4.0	7.1	24.6	--	--	--	--	-6.5	Jan-22
<i>Custom MSCI World Ex-US IMI Net Divs</i>				-3.5	-4.0	6.1	22.9	--	--	--	--	-6.0	Jan-22
International Emerging Market Equity Assets	61,611,380	7.7	7.7	-2.1	-1.1	7.3	14.1	1.9	6.0	4.1	--	5.8	Sep-08
<i>MSCI Emerging Markets</i>				-2.6	-2.9	1.8	11.7	-1.7	0.6	2.1	7.3	2.4	Sep-08
Driehaus Emerging Markets Growth	35,949,995	4.5	58.3	-2.6	-2.8	3.8	7.8	-1.5	--	--	--	4.1	Mar-19
<i>MSCI Emerging Markets</i>				-2.6	-2.9	1.8	11.7	-1.7	0.6	2.1	7.3	0.4	Mar-19
<i>Diversified Emerging Mkts MStar MF Rank</i>				39	38	48	89	44	--	--	--	20	Mar-19
<i>Diversified Emerging Mkts MStar MF Median</i>				-3.0	-3.7	3.3	13.1	-2.1	1.2	2.1	7.2	1.1	Mar-19
Acadian Emerging Markets Small Cap	10,616,959	1.3	17.2	-0.8	4.9	19.2	31.7	15.3	9.0	--	--	7.4	Jun-14
<i>MSCI Emerging Markets Small Cap</i>				-2.1	2.9	13.7	23.1	10.6	6.5	4.6	9.1	4.0	Jun-14
<i>Diversified Emerging Mkts MStar MF Rank</i>				4	1	1	1	1	1	--	--	1	Jun-14
<i>Diversified Emerging Mkts MStar MF Median</i>				-3.0	-3.7	3.3	13.1	-2.1	1.2	2.1	7.2	1.7	Jun-14
PRIT General Allocation EME	15,044,426	1.9	24.4	-1.9	-0.8	8.2	18.6	--	--	--	--	-7.0	Jan-22
<i>Custom MSCI Emerging Market IMI Net Divs</i>				-2.6	-2.2	2.8	12.6	--	--	--	--	-10.4	Jan-22

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Investment Grade Bond Assets	64,472,797	8.0	8.0	-3.5	-5.1	-2.5	-1.6	-7.0	-1.1	0.5	2.5	3.9	Jul-93
<i>Bloomberg US Aggregate TR</i>				-2.5	-3.2	-1.2	0.6	-5.2	0.1	1.1	2.8	4.2	Jul-93
SSgA U.S. Aggregate Bond Index-NL	20,039,260	2.5	31.1	-2.5	-3.2	-1.0	0.7	-5.2	0.1	1.1	--	2.8	Apr-04
<i>Bloomberg US Aggregate TR</i>				-2.5	-3.2	-1.2	0.6	-5.2	0.1	1.1	2.8	2.8	Apr-04
<i>Intermediate Core Bond MStar MF Rank</i>				65	72	63	63	58	60	61	--	65	Apr-04
<i>Intermediate Core Bond MStar MF Median</i>				-2.5	-3.0	-0.8	0.8	-5.1	0.2	1.2	3.0	2.9	Apr-04
PRIT General Allocation Core FI	44,433,537	5.5	68.9	-3.9	-5.9	-3.2	-2.6	--	--	--	--	-12.6	Jan-22
<i>PRIT Core Fixed Income</i>				-4.0	-6.1	-3.1	-2.5	-7.5	0.0	1.9	3.2	-12.5	Jan-22
Long-Term Government Bond Assets	23,963,144	3.0	3.0	-3.9	-5.9	-3.2	-2.6	-7.5	0.0	--	--	0.8	Dec-15
<i>PRIT Core Fixed Income</i>				-4.0	-6.1	-3.1	-2.5	-7.5	0.0	1.9	3.2	0.8	Dec-15
PRIT Core Fixed Income	23,963,144	3.0	100.0	-3.9	-5.9	-3.2	-2.6	-7.5	0.0	--	--	0.8	Dec-15
<i>PRIT Core Fixed Income</i>				-4.0	-6.1	-3.1	-2.5	-7.5	0.0	1.9	3.2	0.8	Dec-15
TIPS Assets	15,453,002	1.9	1.9	-1.8	-2.6	-0.6	1.2	-2.0	2.1	1.7	--	3.2	Mar-07
<i>Bloomberg US TIPS TR</i>				-1.8	-2.6	-0.8	1.2	-2.0	2.1	1.7	3.5	3.3	Mar-07
SSgA TIPS Index	15,453,002	1.9	100.0	-1.8	-2.6	-0.6	1.2	-2.0	2.1	1.7	--	3.2	Mar-07
<i>Bloomberg US TIPS TR</i>				-1.8	-2.6	-0.8	1.2	-2.0	2.1	1.7	3.5	3.3	Mar-07
<i>Inflation-Protected Bond MStar MF Rank</i>				62	71	59	69	56	54	16	--	25	Mar-07
<i>Inflation-Protected Bond MStar MF Median</i>				-1.7	-2.2	0.2	1.9	-1.8	2.1	1.5	3.2	3.1	Mar-07

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
High Yield Bond Assets	39,840,336	5.0	5.0	-1.0	0.8	5.5	9.4	2.4	3.4	3.9	--	5.3	Apr-07
<i>Bloomberg US High Yield TR</i>				-1.2	0.5	5.9	10.3	1.8	3.0	4.2	6.5	5.8	Apr-07
Loomis Sayles High Yield Conservative	11,843,213	1.5	29.7	-1.2	0.6	4.0	8.2	0.4	2.0	3.5	--	4.4	Feb-12
<i>Bloomberg US High Yield TR</i>				-1.2	0.5	5.9	10.3	1.8	3.0	4.2	6.5	5.0	Feb-12
<i>High Yield Bond MStar MF Rank</i>				72	58	92	86	92	89	68	--	60	Feb-12
<i>High Yield Bond MStar MF Median</i>				-1.0	0.7	5.6	10.0	1.9	2.6	3.8	5.7	4.5	Feb-12
Columbia High Yield	11,903,086	1.5	29.9	-1.3	0.2	5.5	10.1	1.7	3.3	--	--	3.8	Dec-16
<i>Bloomberg US High Yield TR</i>				-1.2	0.5	5.9	10.3	1.8	3.0	4.2	6.5	3.9	Dec-16
<i>High Yield Bond MStar MF Rank</i>				79	79	53	46	54	21	--	--	37	Dec-16
<i>High Yield Bond MStar MF Median</i>				-1.0	0.7	5.6	10.0	1.9	2.6	3.8	5.7	3.5	Dec-16
PRIT General Allocation Value Added FI	16,094,037	2.0	40.4	-0.5	1.3	6.7	9.8	--	--	--	--	0.5	Jan-22
<i>PRIT Public Value-Added Fixed Income</i>				-0.4	1.1	6.7	11.2	2.5	2.7	2.8	5.3	-0.9	Jan-22
Bank Loan Assets	8,811,452	1.1	1.1	1.0	3.5	11.1	14.7	5.8	4.2	--	--	3.9	Aug-14
<i>Credit Suisse Leveraged Loans</i>				0.9	3.4	9.9	12.5	5.9	4.3	4.3	4.7	4.2	Aug-14
Beach Point Loan Fund	8,811,452	1.1	100.0	1.0	3.5	11.1	14.7	5.8	4.2	--	--	3.9	Aug-14
<i>Credit Suisse Leveraged Loans</i>				0.9	3.4	9.9	12.5	5.9	4.3	4.3	4.7	4.2	Aug-14
<i>Bank Loan MStar MF Rank</i>				7	12	2	1	25	15	--	--	22	Aug-14
<i>Bank Loan MStar MF Median</i>				0.6	3.0	9.1	12.1	5.1	3.5	3.6	4.3	3.5	Aug-14

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	81,722,146	10.2	10.2	-3.3	-3.1	-6.8	-8.0	5.7	4.0	7.0	--	--	Jan-89
<i>NCREIF ODCE</i>				<i>-1.9</i>	<i>-1.9</i>	<i>-7.6</i>	<i>-12.1</i>	<i>7.1</i>	<i>5.7</i>	<i>8.2</i>	<i>7.6</i>	<i>7.1</i>	<i>Jan-89</i>
UBS Trumbull Property Income Fund	10,460,140	1.3	12.8	-2.8	-2.8	-6.2	-8.9	3.9	3.7	5.8	6.7	7.0	Jan-89
<i>NCREIF ODCE (net)</i>				<i>-2.1</i>	<i>-2.1</i>	<i>-8.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>7.2</i>	<i>6.6</i>	<i>6.1</i>	<i>Jan-89</i>
UBS Trumbull Property Fund	2,459,221	0.3	3.0	-1.7	-1.7	-12.0	-16.7	-1.2	-1.5	3.1	4.9	5.8	Jan-89
<i>NCREIF ODCE (net)</i>				<i>-2.1</i>	<i>-2.1</i>	<i>-8.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>7.2</i>	<i>6.6</i>	<i>6.1</i>	<i>Jan-89</i>
JPMCB Strategic Property Fund	10,471,393	1.3	12.8	-2.4	-3.1	-7.5	-12.1	6.2	--	--	--	4.8	Jan-19
<i>NCREIF ODCE (net)</i>				<i>-2.1</i>	<i>-2.1</i>	<i>-8.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>7.2</i>	<i>6.6</i>	<i>4.7</i>	<i>Jan-19</i>
AEW Partners VII	426,436	0.1	0.5										
Rockwood X	4,957,008	0.6	6.1										
Torchlight Debt Opportunity Fund VI	3,729,783	0.5	4.6										
TerraCap Partners IV (Institutional), L.P.	4,398,602	0.5	5.4										
Rockwood Capital Real Estate Partners Fund XI, L.P.	5,983,953	0.7	7.3										
PRIT General Allocation Real Estate	38,835,611	4.8	47.5	-2.1	-1.5	-3.4	-4.1	--	--	--	--	2.8	Jan-22
<i>PRIT Real Estate Benchmark</i>				<i>-3.2</i>	<i>-3.2</i>	<i>-10.2</i>	<i>-4.8</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>3.5</i>	<i>Jan-22</i>

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Private Equity Assets	134,664,519	16.8	16.8										
Adams Street Partners 2010	5,322,126	0.7	4.0										
Goldman Sachs Private Equity Partners 2005	433,997	0.1	0.3										
North American Strategic Partners 2006	28,181	0.0	0.0										
Brookfield Capital Partners IV	3,906,676	0.5	2.9										
PRIT Vintage Year 2001	64,855	0.0	0.0										
PRIT Vintage Year 2002	2,302	0.0	0.0										
Ridgemont Equity Partners II	2,948,127	0.4	2.2										
TA XII	3,220,854	0.4	2.4										
LLR Equity Partners V	6,799,112	0.8	5.0										
Wellspring Capital Partners VI	6,702,776	0.8	5.0										
Trilantic Capital Partners VI	6,410,485	0.8	4.8										
Brookfield Capital Partners V, L.P.	5,021,527	0.6	3.7										
FS Equity Partners VIII L.P.	6,442,026	0.8	4.8										
Ridgemont Equity Partners III	8,366,985	1.0	6.2										
Searchlight Capital III	4,856,913	0.6	3.6										
Charlesbank Technology Opportunities Fund	7,970,316	1.0	5.9										
LLR Equity Partners VI, L.P.	3,190,596	0.4	2.4										
PRIT General Allocation Private Equity	62,976,667	7.9	46.8	-0.3	3.9	8.4	7.9	--	--	--	--	1.9	Jan-22
<i>State Street PE Index (SSPEI) All PE Excluding PD</i>				1.7	1.7	5.2	3.5	--	--	--	--	1.7	Jan-22

Total Retirement System | As of September 30, 2023

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
Natural Resources Assets	16,514,201	2.1	2.1										
Hancock Timberland IX	3,918,403	0.5	23.7										
PRIT General Allocation Timberland <i>NCREIF Timberland</i>	10,845,982	1.4	65.7	0.6 1.4	0.9 1.4	3.2 4.9	6.8 10.0	-- 9.2	-- 5.9	-- 5.9	-- 7.0	2.4 10.2	Jan-22 Jan-22
Oppenheimer Natural Resources	1,749,817	0.2	10.6										
Infrastructure Assets	13,054,846	1.6	1.6										
IFM Global Infrastructure (U.S.), L.P. <i>CPI+5%</i>	8,647,180	1.1	66.2	1.0 0.7	0.4 2.1	5.5 7.6	9.8 8.9	11.8 11.0	10.3 9.2	-- 7.9	-- 7.7	10.3 9.2	Oct-18 Oct-18
Global Infrastructure Partners IV	4,407,666	0.6	33.8										
Opportunistic Assets	36,849,389	4.6	4.6										
HarbourVest Co-Investment Fund V, L.P.	4,793,411	0.6	13.0										
EnTrustPermal Special Opportunities Evergreen Fund, Ltd.	4,766,089	0.6	12.9										
PRIT General Allocation Hedge Funds <i>HFRI FOF Composite Index</i>	27,289,889	3.4	74.1	-0.3 -0.4	1.5 0.5	5.2 2.8	6.8 4.6	-- 3.6	-- 3.3	-- 3.2	-- 3.3	1.8 -1.7	Jan-22 Jan-22
Balanced Assets (PRIT General Allocation Fund)	15,394,296	1.9	1.9	-2.5	-1.6	4.9	9.3	7.2	6.6	7.5	7.7	8.2	Apr-90
<i>60% Wilshire 5000 & 40% Barclays Aggregate</i>				-3.9	-3.2	6.9	12.4	3.8	6.0	7.5	7.3	8.3	Apr-90
PRIT General Allocation <i>60% Wilshire 5000 & 40% Barclays Aggregate</i>	15,394,296	1.9	100.0	-2.5 -3.9	-1.6 -3.2	4.9 6.9	9.3 12.4	7.2 3.8	6.6 6.0	7.5 7.5	7.7 7.3	8.2 8.3	Apr-90 Apr-90
Cash	19,223,551	2.4	2.4										
Cash Account <i>91 Day T-Bills</i>	16,202,770	2.0	84.3	0.5	1.3	3.6	4.5	1.7	1.6	1.1	1.3	1.3	Jan-02
PRIM Cash Account	3,020,780	0.4	15.7										

Total Retirement System | As of September 30, 2023

Cash Flow Summary

	Beginning Market Value	Contributions	Withdrawals	Net Investment Change	Ending Market Value	Month Return
Acadian Emerging Markets Small Cap	\$10,693,423	\$0	-\$11,059	-\$65,405	\$10,616,959	-0.82%
Adams Street Partners 2010	\$5,482,468	\$0	-\$158,026	-\$2,316	\$5,322,126	-0.04%
AEW Partners VII	\$433,095	\$0	\$0	-\$6,659	\$426,436	-1.54%
Axiom International Small Cap Equity	\$11,124,735	\$0	-\$6,999	-\$618,722	\$10,499,014	-5.62%
Beach Point Loan Fund	\$8,724,492	\$0	-\$3,671	\$90,632	\$8,811,452	1.00%
Brookfield Capital Partners IV	\$3,859,128	\$0	\$0	\$47,548	\$3,906,676	1.23%
Brookfield Capital Partners V, L.P.	\$4,891,235	\$0	\$0	\$130,292	\$5,021,527	2.66%
Brown Small Cap Fundamental Value	\$17,690,926	\$0	-\$15,633	-\$621,110	\$17,054,183	-3.69%
Cash Account	\$15,948,010	\$254,761	\$0	\$0	\$16,202,770	0.00%
Charlesbank Technology Opportunities Fund	\$7,970,316	\$0	\$0	\$0	\$7,970,316	0.00%
Columbia High Yield	\$12,062,859	\$0	-\$4,067	-\$155,706	\$11,903,086	-1.32%
Driehaus Emerging Markets Growth	\$36,896,377	\$0	\$0	-\$946,382	\$35,949,995	-2.56%
EnTrustPermal Special Opportunities Evergreen Fund, Ltd.	\$4,766,089	\$0	\$0	\$0	\$4,766,089	0.00%
FS Equity Partners VIII L.P.	\$6,588,838	\$0	\$0	-\$146,812	\$6,442,026	-2.23%
Global Infrastructure Partners IV	\$4,077,074	\$330,875	\$0	-\$283	\$4,407,666	-0.01%
Goldman Sachs Private Equity Partners 2005	\$446,551	\$0	\$0	-\$12,554	\$433,997	-2.81%
Hancock Timberland IX	\$3,898,688	\$0	\$0	\$19,715	\$3,918,403	0.51%
HarbourVest Co-Investment Fund V, L.P.	\$4,710,508	\$0	\$0	\$82,903	\$4,793,411	1.76%
IFM Global Infrastructure (U.S.), L.P.	\$8,557,989	\$0	\$0	\$89,192	\$8,647,180	1.04%
JPMCB Strategic Property Fund	\$10,727,365	\$0	\$0	-\$255,972	\$10,471,393	-2.39%
LLR Equity Partners V	\$6,861,549	\$0	-\$261,283	\$198,846	\$6,799,112	2.90%
LLR Equity Partners VI, L.P.	\$3,169,601	\$0	\$0	\$20,995	\$3,190,596	0.66%
Loomis Sayles High Yield Conservative	\$11,988,140	\$0	-\$4,441	-\$140,486	\$11,843,213	-1.25%
North American Strategic Partners 2006	\$28,181	\$0	\$0	\$0	\$28,181	0.00%

Total Retirement System | As of September 30, 2023

	Beginning Market Value	Contributions	Withdrawals	Net Investment Change	Ending Market Value	Month Return
Oppenheimer Natural Resources	\$1,749,817	\$0	\$0	\$0	\$1,749,817	0.00%
PRIM Cash Account	\$1,522,045	\$3,477,948	-\$2,000,000	\$20,787	\$3,020,780	1.32%
PRIT Core Fixed Income	\$24,942,953	\$0	-\$2,197	-\$977,613	\$23,963,144	-3.93%
PRIT General Allocation	\$15,957,702	\$0	-\$3,473,303	\$2,909,897	\$15,394,296	-2.52%
PRIT General Allocation Core FI	\$46,422,406	\$0	\$0	-\$1,988,869	\$44,433,537	-3.93%
PRIT General Allocation Domestic Equity	\$86,679,336	\$0	\$0	-\$5,159,540	\$81,519,796	-4.94%
PRIT General Allocation EME	\$15,595,027	\$0	\$0	-\$550,601	\$15,044,426	-1.90%
PRIT General Allocation Hedge Funds	\$27,200,628	\$0	\$0	\$89,260	\$27,289,889	-0.29%
PRIT General Allocation Int. Equity	\$39,531,580	\$0	\$0	-\$2,095,450	\$37,436,130	-3.83%
PRIT General Allocation Private Equity	\$63,830,808	\$0	\$0	-\$854,141	\$62,976,667	-0.27%
PRIT General Allocation Real Estate	\$39,894,255	\$0	\$0	-\$1,058,644	\$38,835,611	-2.07%
PRIT General Allocation Timberland	\$11,242,926	\$0	\$0	-\$396,945	\$10,845,982	0.57%
PRIT General Allocation Value Added FI	\$16,320,377	\$0	\$0	-\$226,340	\$16,094,037	-0.50%
PRIT Vintage Year 2001	\$65,390	\$2	\$0	-\$537	\$64,855	-0.82%
PRIT Vintage Year 2002	\$6,964	\$0	-\$4,648	-\$14	\$2,302	-0.21%
Rhumblin QSI Index	\$32,285,747	\$0	-\$1,790	-\$1,601,068	\$30,682,890	-4.96%
RhumbLine Russell 1000 Growth Index	\$26,683,222	\$0	-\$1,419	-\$1,448,054	\$25,233,749	-5.43%
RhumbLine Russell 1000 Value Index	\$27,836,753	\$0	-\$1,506	-\$1,068,981	\$26,766,267	-3.85%
Ridgemont Equity Partners II	\$4,776,050	\$0	-\$1,667,163	-\$160,761	\$2,948,127	-3.41%
Ridgemont Equity Partners III	\$8,231,999	\$0	\$0	\$134,986	\$8,366,985	1.64%
Rockwood Capital Real Estate Partners Fund XI, L.P.	\$6,382,675	\$0	\$0	-\$398,722	\$5,983,953	-6.25%
Rockwood X	\$5,629,877	\$136,364	\$0	-\$809,233	\$4,957,008	-14.36%
Searchlight Capital III	\$4,996,559	\$0	-\$64,719	-\$74,927	\$4,856,913	-1.50%
SSgA MSCI EAFE Index	\$41,587,800	\$0	-\$3,348	-\$1,406,794	\$40,177,658	-3.39%
SSgA TIPS Index	\$15,743,298	\$0	-\$773	-\$289,523	\$15,453,002	-1.84%
SSgA U.S. Aggregate Bond Index-NL	\$20,561,130	\$0	-\$1,002	-\$520,868	\$20,039,260	-2.54%

Total Retirement System | As of September 30, 2023

	Beginning Market Value	Contributions	Withdrawals	Net Investment Change	Ending Market Value	Month Return
TA XII	\$3,121,242	\$0	\$0	\$99,612	\$3,220,854	3.19%
TerraCap Partners IV (Institutional), L.P.	\$4,529,855	\$0	\$0	-\$131,253	\$4,398,602	-2.90%
Torchlight Debt Opportunity Fund VI	\$3,709,792	\$0	\$0	\$19,991	\$3,729,783	0.54%
Trilantic Capital Partners VI	\$6,243,579	\$110,701	\$0	\$56,205	\$6,410,485	0.90%
UBS Trumbull Property Fund	\$2,559,618	\$0	-\$64,870	-\$35,527	\$2,459,221	-1.66%
UBS Trumbull Property Income Fund	\$10,764,522	\$0	-\$25,299	-\$279,084	\$10,460,140	-2.83%
Wellspring Capital Partners VI	\$6,710,095	\$0	\$0	-\$7,319	\$6,702,776	-0.11%
Total	\$824,913,664	\$4,310,651	-\$7,777,216	-\$20,502,352	\$800,944,747	--

Private Market Managers' Performance Overview¹

Managers	Strategy	Vintage Year	Commitment Amount (\$mm)	% called	Median Peer IRR	Quartile Rank	Net IRR	Net Multiple
Real Estate Managers								
AEW Partners VII	Opportunistic	2013	5.0	93%	10.9	3	10.4%	NA
Rockwood X	Value-Added	2016	10.0	94%	18.3	4	4.9%	1.2x
Torchlight Debt Opportunity Fund VI	Opportunistic	2017	5.0	100%	11.0	3	8.1%	1.3x
TerraCap Partners IV	Value-Added	2017	5.0	100%	12.1	3	11.1%	NA
Rockwood XI	Value-Added	2019	8.0	71%	14.1	4	7.9%	1.1x
Private Equity Managers								
Adams Street Partners	Fund of Funds	2010	10.0	94%	13.2	2	14.6	2.2x
Goldman Sachs PE Partners	Fund of Funds	2005	10.0	100%	7.2	NA	NA	NA
North American Strategic Partners	Fund of Funds	2006	9.1	96%	6.8	NA	NA	NA
PRIT Vintage Year 2001	Fund of Funds	2001	2.5	NA	9.7	NA	NA	NA
PRIT Vintage Year 2002	Fund of Funds	2002	0.5	NA	7.9	NA	NA	NA
Brookfield Capital Partners IV	Buyout	2015	4.0	100%	17.4	1	41.4%	2.5x
LLR Equity Partners V	Buyout	2017	5.0	97%	22.2	3	20.1%	1.8x
Ridgemont Equity Partners II	Buyout	2015	6.0	97%	17.4	2	19.7%	2.0x

¹ As of 3/31/2023.

² NM indicates that a fund is early in its investment period; therefore, the return is not yet meaningful. NA indicates that the relevant data is not available at the time of report generation.

Private Market Managers' Performance Overview (continued)¹

Managers	Strategy	Vintage Year	Commitment Amount (\$mm)	% called	Median Peer IRR	Quartile Rank	Net IRR	Net Multiple
TA XII	Growth Equity	2016	4.0	100%	20.8	1	36.8%	3.0x
Wellspring VI	Buyout	2017	5.0	97%	22.2	3	20.9%	1.6x
Trilantic Capital Partners VI	Buyout	2018	5.0	83%	22.2	4	16.1%	1.4x
Brookfield Capital Partners V	Buyout	2019	4.0	94%	23.0	3	17.2%	1.4x
FS Equity Partners VIII	Buyout	2019	5.0	81%	23.0	2	27.7%	1.7x
Ridgemont Equity Partners III	Buyout	2019	6.0	99%	23.0	1	39.2%	1.8x
Searchlight Capital III	Special Situations	2020	5.0	77%	18.8	1	32.0%	1.6x
Charlesbank Technology Opportunities	Buyout	2019	5.0	59%	23.0	1	66.3%	2.2x
LLR Equity Partners VI	Buyout	2020	4.0	66%	13.3	NM	NM	NM
Opportunistic Managers								
HarbourVest Co-Investment Fund V	Opportunistic	2019	4.0	78%	NA	NA	24.4%	1.8x
EnTrustPermal Spec. Opps. Evergreen Fund	Opportunistic	2020	6.0	87%	NM	NM	NM	NM
Infrastructure Managers								
Global Infrastructure Partners IV	Value-Added	2019	5.0	72%	--	--	--	--
Natural Resources Managers								
Hancock Timberland	Timber	2008	8.0	100%	--	--	0.7%	1.1x
Oppenheimer Natural Resources	Natural Resources	2010	7.0	100%	--	--	-2.2%	NA

¹ As of 3/31/2023.

² NM indicates that a fund is early in its investment period; therefore, the return is not yet meaningful. NA indicates that the relevant data is not available at the time of report generation.

Current Issues

Private Infrastructure Search Finalist Review

Background

- In July, Meketa issued a private infrastructure RFP for both close-end and open-end mandates.
- At the October meeting, the board voted to interview GIP, IFM, and Stonepeak as a finalist for this mandate.
 - As of September 30, 2023, IFM managed around \$8.6 million while GIP managed approximately \$4.4 million on behalf of the System.
- The following pages review the three finalist managers.

Manager Search Finalists

Global Infrastructure Partners V

Firm

Global Infrastructure Partners	
Firm Location (Headquarters)	New York, NY
Firm Inception	2006
Strategy Inception	2006
Firm AUM (As of 03/31/23)	~\$100B

- Global Infrastructure Partners (the “GIP” or the “Firm”) was founded in New York City in 2006 by a team of former senior executives from Credit Suisse (“CS”) and General Electric (“GE”) as an independent infrastructure fund manager.
- Over the years, GIP has expanded its global offerings for institutional and retail clients across infrastructure equity and credit, with vehicles focused on specific geographies, asset types, and investors.
- The Firm’s infrastructure equity strategies include GIP Core, GIP Australia, GIP India, GIP Emerging Markets, and ATLAS (listed infrastructure), as well as SMAs and two single-asset continuation vehicles.
- The Firm’s infrastructure credit strategies include GIP Capital Solutions (“GIP CAPS”) and GIP Spectrum, which target debt and structured/preferred equity investments across the energy, transport, and water/waste sectors.
- GIP IV held its final close in December 2019 with \$22.1 billion in aggregate commitments.

Investment & Business Improvement Teams

- GIP employs 170 investment professionals, a 39-person Business Improvement Team (“BIT”), nine professionals focused on ESG, 17 legal, tax and compliance professionals, and 64 business operations professionals located across offices in New York, London, Stamford, Australia, India, Hong Kong, and South Korea.
- The investment team is led by Michael McGhee (Partner & Deputy Chairman) and Raj Rao (Partner, President & COO), who are based in London and New York, respectively.
- The Firm’s 15 Partners have significant experience working together, with 12 having been at the Firm for over 10 years.
- The BIT is led by Tom Horton (Partner) and includes seven portfolio company Senior Executives, five Partners, one Managing Director, 20 Principals, three Vice Presidents, and three Associates.
- The BIT works closely with investment teams throughout all stages of the investment process to design and implement solutions around procurement efficiency, IT and digital innovation, capex optimization, and human capital management.

Investment Terms

Partnership Name	Global Infrastructure Partners V
Partnership Type	Delaware
Investment Strategy/Focus	Infrastructure
Geographic Focus	Global
Vintage Year	2023
Fund Size	\$25.0 billion target size
Final Closing	TBD
Term	10 years from the final closing date (w/two possible 1-year extensions)
Management Fee ¹	Fees are on aggregate commitments during the commitment period; thereafter, fees are on invested capital. The management fee is a blended rate dependent on the Limited Partner’s commitment level as follows: 1.75% on commitments up to \$75 million; 1.50% on commitments greater than \$75 million up to \$150 million; 1.25% on commitments greater than \$150 million up to \$225 million; 1.00% on commitments greater than \$225 million.
Preferred Return	8% compounded annually
Carried Interest	Performance fee is 20% above the preferred return, calculated on a whole-fund basis.
General Partner Commitment	1.5% of non-affiliated commitments.

¹ First Close Fee Discount: 10 basis points for commitments made in the first closing.

Investment Strategy

- GIP V will continue the strategy deployed by prior flagship funds, targeting value-added infrastructure investments across four sectors, and associated subsectors:
- **Energy** – Including renewables and new energies, LNG, and utilities.
 - **Transport** – Focusing on ports, rail, and air transport.
 - **Digital** – Including towers, fiber, and data centers.
 - **Water/Waste** – Targeting concentrated water networks, water treatment and desalination, and energy-from-waste.
- The Fund does not have specific target allocations pertaining to each sector; generally, GIP expects the majority of capital to be allocated to the energy sector, with the next largest allocations to the transport, digital, and water/waste sectors, respectively.
- The Fund will primarily target control investments in brownfield assets, adding value through technical, operational, and financial expertise as provided by investment and BIT professionals.
- Geographically, the portfolio is expected to be global with a primary focus on the OECD markets of North America, Europe, Australia, and Asia.
- The portfolio is expected to comprise 10 to 15 investments ranging in equity from \$1.0 billion to \$2.5 billion.
- The Fund will target a gross return of 15% to 20% with mid-single digit average annual cash yields.

Historical Track Record
(As of March 31, 2023)

Fund	Vintage Year	Commitments (\$M)	Gross IRR (%)	Net IRR (%)
GIP I	2006	5.6	23	17
GIP II	2012	8.3	24	16
GIP III	2016	15.8	17	12
GIP IV	2019	22.1	13	5

- GIP I exceeded target net returns of 11% to 15%. Fund I has realized all 12 investments, with one realization made below cost.
- GIP II made 12 investments, of which nine have been fully realized, with net returns to date above target.
- GIP III has one realization to date out of 10 total investments. GIP III is currently tracking within the targeted returns despite one investment tracking below cost and one investment still marked at cost.
- GIP IV is still in its value creation stage and has invested over 75% of its capital to date.

Strengths

- **Strong Consistent Historical Returns** – Since its inception, GIP’s flagship product has achieved at, or above target returns on their first three funds through March 31, 2023. GIP IV is still in development stage but has a gross return of 13% as the net IRR continues to emerge from its J-curve.
- **Differentiated Business Improvement Team** – GIP has rebranded its operations team as BIT with 39 professionals. The expertise has expanded from its technical and operational skills to include team management, process improvement, commercial and strategy, information technology and cyber, and human capital. The BIT remains actively involved throughout the life of an investment and focuses on driving improvements in areas such as capital spending, process improvements, procurement, customer service, pricing, and cost control.
- **Independent Risk Management Function** – GIP has a strong, independent risk management function that is woven into origination, diligence, and transaction process, carrying over into ongoing portfolio management. The Chief Risk Officer ensures all investments are underwritten properly and consistently with respect to overall risk/return profile, risk mitigations, and downside protections. The Risk Officer also ensures that fully vetted exit strategies are analyzed from initial investment and reassessed constantly during portfolio management.
- **Stable and Experienced Investment Team** – There have been limited Partner-level departures from the flagship investment team in the 16 years of firm history primarily due to planned retirements, with successors already in place.

Considerations

- **Mega Fund Size** – GIP is targeting \$25 billion for GIP V. with no hard cap currently stated which will limit exit opportunities as assets continue to grow, thereby limiting the potential buyer universe.
- Mitigating factor(s): Over the past year, several firms have launched core infrastructure products which are expected to ramp up in the coming years. As these platforms increase dry powder, there could be further buying opportunities after GIP completes operational improvements. GIP also tends to partner with investors that may have the ability to buy GIP out of their ownership.
- **Expanding Platform Offering** – GIP is currently fundraising for a new core fund, its second Australia fund, an emerging markets fund, and also has a credit program. The Australian team is primarily focused on the country product, but also will support the flagship fund with crossover deals such as Sydney Airport. It is still unclear how many dedicated professionals will be on the core product or if the flagship team will spend time on both.
- Mitigating factor(s): GIP continues to grow their senior team from within, promoting long tenured and proven professionals.
- **Limited Realizations with Larger Fund Size** – GIP III has fully realized just one investment since its inception and GIP IV does not have realizations to date. GIP continues to raise larger funds, which they have been able to deploy, but the mega cap deals limit the number of buyers who could acquire these assets.
- Mitigating factor(s): Although GIP III has just one full exit, the fund has returned one third of invested capital through yield and partial exits. GIP IV has deployed its capital to date in the past 18 months, so the portfolio is still in development stage. GIP typically partners with strategic investors who may have the ability to acquire GIP's stake when it's time for GIP IV to exit.

IFM Global Infrastructure Fund

Manager Overview

- IFM Investors (IFM) is a privately-owned, global asset management firm founded in 2004 with various financial products across infrastructure, debt, listed equity, and private equity strategies. IFM is a leading core infrastructure manager with a long history and robust track record.
- IFM is a subsidiary of Industry Super Holdings Pty. Ltd., which is wholly owned by a group of Australian pension funds. Over the years, that ownership group has expanded from the original four to now 17 not-for profit Australian pension funds.
- The Firm is based out of 11 international offices in Australia, Europe, North America, and Asia.
- IFM's infrastructure platform has three open-end products: IFM Australian Infrastructure Fund ("AIF"); IFM Global Infrastructure Fund ("GIF"); and a newly formed Net Zero Infrastructure Fund ("NZIF"), with an initial target of \$3 billion that includes a \$500 million investment from GIF.
- GIF launched in 2004 and seeks investment opportunities globally, focusing primarily on countries with investment-grade long-term credit ratings. GIF focuses primarily on OECD member countries, with an opportunistic approach to other regions.
- GIF's NAV as of June 30, 2023, is \$54 billion, representing 24 active portfolio investments.

Investment Team

- IFM's Infrastructure Team consists of over 120 investment and asset management professionals, 40 of which are based in North America, 40 in Europe, seven in Asia, and 37 in Australia, including the Global Head of Infrastructure.
- IFM also currently retains 19 senior advisors on an exclusive basis pertaining to anything infrastructure related. The Advisors will assist on a range of asset management, commercial, and investment issues.
- The Australian team primarily focuses on AIF, but is also responsible for Sydney Airport, which is in both AIF and GIF. They may also source NZIF renewable and energy transition opportunities. Meanwhile, the North American, Europe, and Asia teams are responsible for sourcing opportunities for GIF and NZIF.

Investment Strategy

- GIF pursues global investments in core infrastructure assets that display monopoly-like characteristics, strong market positions, reliable regulatory environments, and high barriers to entry, limited demand-elasticity, exposure to inflation and economic growth, and long lives.
- The Fund is focused on four broad infrastructure sectors – transportation, energy midstream communications, and utilities – but does not have sector limitations. The current portfolio of assets includes airports, ports, marine terminals, toll roads, pipelines, an LNG terminal, fiber-to-the-home, district heating systems, and water and wastewater assets.
- While the team continues to actively look for new opportunities, they also remain heavily focused on using existing investments as platforms for growth, through expansionary capex or acquiring additional equity stakes.
- The Fund will look to invest enough equity to ensure control, or at least, to secure meaningful oversight of each infrastructure asset.
- Most existing investments have ranged between \$700 million and \$3 billion in size, but the Fund can go larger, including with co-investment capital from Limited Partners and third parties.
- The Fund will target net returns of 10% over the long term (10+ years), which IFM expects to range from 8% to 12% per year, depending on the stage of the market cycle.

Investment Terms

Partnership Name	IFM Global Infrastructure Fund
Partnership Type	Limited Partnership
Investment Strategy/Focus	Core Infrastructure
Vintage Year	2004
Geographic Focus	Global
Fund NAV	\$54 billion ¹
Final Closing	Open-end structure
Total Term	Perpetual life Fund
	Quarterly queues to invest (currently estimated queue of 6 to 12 months)
Fees/Expenses:	
Management Fee	0.77% annual management fee based on NAV
Preferred Return	8% (in local currency)
Carried Interest	10%

¹ As of June 30, 2023.

Historical Track Record
(As of March 31, 2023)

	One Year (%)	Three Year (%)	Five Year (%)	Ten Year (%)	Since Inception (%)
Net Time Weighted Returns	9.7	12.1	10.7	11.0	9.2

- IFM continues to generate strong total returns consistently producing at or above target returns.
- The portfolio is diversified across 24 platform investments diversified across nine sectors and more than 20 countries.

Strengths

- **Strong returns that are within or above targeted range:** The GIF Master Fund's portfolio performance, is 10.2% gross IRR since inception (December 2004). The Fund's returns are within IFM's long-term target range of 8% to 12% per annum net to investors.
- **Diversified geographic, regulatory, and contractual exposure:** The Fund offers exposure to 24 investments in over 20 countries in North America, Europe, South America, and Asia Pacific. These assets have revenues that are regulated/contracted as well as revenues that are linked to GDP growth, with exposures to a variety of regulatory and political regimes.
- **Asset-management capabilities:** Through its proactive asset management approach implemented by its 120+ investment professionals and 19 C-suite senior advisors, IFM is able to make incremental improvements as well as fund large capex projects to better position the assets for growth and operational efficiency.
- **Strong opportunistic exits:** Back in 2017 and 2018, the utilities sector was attractive for sellers and IFM saw an opportunity to exit several of its utility assets, including selling Duquesne Light in 2017 for a 2.3x gross multiple and 50Hertz in 2018 for an 11.0x multiple.
- **Alignment of Firm ownership:** The Fund's ownership by 17 Australian pension funds offers strong alignment with similarly situated investors who have retirement funding liabilities or other long-term funding obligations (e.g., pension funds, sovereign wealth funds, and endowments and foundations).

Considerations

- **Heavy transportation sector concentration:** The Fund has nearly 50% of its NAV in transportation assets, including 33% in four toll roads. This represents significant GDP exposure.
- Mitigating Factor(s): IFM has diversification within transportation with airports, marine terminals, ports, and toll roads, and almost half of the toll roads are regulated. Additionally, with a more recent large transactions in utilities and digital, the overall exposure to transportation is being mitigated.
- **Large single asset concentration exposure:** Three assets account for 45% of the Fund's exposure, Aleática, Buckeye Partners, and Indiana Toll Roads (ITR), which account for 16%, 15%, and 14% of the Fund's NAV, respectively.
- Mitigating Factor(s): Aleática, a diversified portfolio of toll roads, ports, light rail system and airport across five countries, has a majority of its revenues contracted with governments. Buckeye has a coverage area comprising approximately 130 million people across the northeast and Midwest US, representing 5,500 miles of pipeline and 135 liquid petroleum products terminals. Meanwhile, ITR is a core asset with a strong competitive position serving as a critical part of the US freight distribution network.
- **Increasing risk-return profile:** Recently acquired assets seem to be moving higher on the risk-return spectrum, with more emerging market exposure, less contracted cash flows, shorter term contracts, and large capex plans.
- Mitigating Factor(s): IFM has purposely shifted its portfolio to what it considers economic infrastructure, which has more GDP-linked exposure as it believes there are more attractive risk-return opportunities in this sector. These assets continue to display the hallmarks of a core asset, including monopolistic characteristics and high barriers to entry.
- **Significant growth of IFM's fund size and additional products:** At Meketa's initial underwrite of IFM in August 2012, the Fund had approximately \$4 billion and now stands at \$54 billion in value. On the private side, in addition to an existing private equity business and an infrastructure debt practice, IFM recently launched IFM Net Zero Infrastructure Fund, an open-end vehicle targeting the energy transition sector that will be invested by the same infrastructure team as GIF.

Stonepeak Infrastructure Fund V

Firm

Stonepeak Infrastructure Partners	
Firm Location (Headquarters)	New York, NY
Firm Inception	2011
Strategy Inception	2011
Firm AUM (As of 03/31/23)	\$57B

- Stonepeak was founded in 2011 by Michael Dorrell and Trent Vichie, who had worked on infrastructure investments together previously at The Blackstone Group and before that at The Macquarie Group.
- The Firm currently manages \$57.1 billion of assets under management under seven investment strategies, including its flagship value-add infrastructure vehicle, led by a 20-member leadership group with experience across North America, Europe, Asia Pacific, and the Middle East.
- Along with managing their flagship infrastructure offering, over the past four years, Stonepeak has launched products in global renewables, infrastructure credit, Asia infrastructure, core infrastructure, middle market infrastructure, and real estate.
- The firm is headquartered in New York, NY, and has offices in Hong Kong, Houston, London, Sydney, and Singapore.
- SIF V, the fifth fund in the Firm’s flagship series, is targeting \$15 billion, with no hard cap as yet set.

Investment Team

- The Stonepeak team currently comprises 218 professionals, including 108 investment team members, based out of six offices in New York (headquarters), Houston, Hong Kong, London, Sydney, and Singapore.
- Stonepeak is led by Co-Founder, CEO, and Chairman Michael Dorrell and includes five Executive Committee members, 10 Senior Managing Directors, 15 Managing Directors, and 15 Principals.
- Additional support is provided by a dedicated group of 24 Operating Partners.
- Stonepeak uses a “unified investment team” approach across its multiple platforms with one large global investment team responsible for all the firm’s projects. Stonepeak believes this approach creates collaboration and synergies across the different sectors and geographies.

Investment Terms

Partnership Name	Stonepeak Infrastructure Fund V
Partnership Type	Delaware
Investment Strategy/Focus	Infrastructure
Geographic Focus	Global
Vintage Year	2023
Fund Size	\$15.0 billion target, with no hard cap yet set
Final Closing	TBD
Term	12 years from the final closing date (w/three possible 1-year extensions)
Management Fee ¹	<p>Fees are on aggregate commitments during the investment period; thereafter, fees are on net invested capital. Management fee percentage is based on a Limited Partner’s commitment level as follows:</p> <ul style="list-style-type: none"> 1.50% on commitments up to \$200 million; 1.375% on commitments \$200 million up to \$250 million; and 1.25% on commitments of \$250 million or greater.
Preferred Return	8% compounded annually
Carried Interest	20%, w/80% catch-up, deal-by-deal
General Partner Commitment	At least 1.5%

¹ First Close Fee Discount: 10 basis points for commitments made in the first closing.

Investment Strategy

- Fund V will represent a continuation of the Firm's flagship value-add strategy, focusing on building a diversified portfolio across three primary sectors: Transportation and Logistics; Energy/Energy Transition, and Digital Infrastructure
- The primary geographic focus of Fund V is expected to be on the North American market.
- Stonepeak typically seeks majority control or significant governance rights with a focus on preservation of invested capital in a severe downside case scenario. The Fund will also aim to execute an asset management strategy focused on a hands-on approach to operational improvements.
- The Fund seeks to invest in long-lived, hard-asset businesses and projects that provide essential services to customers, maintain high barriers to entry, and have limited direct competition or substitutes.
- Fund V will target a mid-teens gross IRR (12% net IRR).

Historical Track Record As of March 31, 2023

Fund	Vintage Year	Commitments (\$B)	Gross IRR (%)	Net IRR (%)
SIF I	2012	1.6	14	10
SIF II	2015	3.5	18	14
SIF III	2017	7.2	22	17
SIF IV	2020	14.0	18	9

Stonepeak Update

→ Stonepeak launched Fund V in the Fall of 2023 and has not yet held the first close. Meketa is reviewing the materials and setting up diligence meetings for the coming weeks. The strengths and concerns section of this presentation has been omitted as it will not be prepared for this offering until after the diligence process is completed.

**Small Cap Value Equity
RFP Respondent Review**

Background

- Quincy currently employs Brown Advisory to manage its domestic small cap value equity allocation, which represents roughly 2% of the total portfolio, or \$17.1 million as of September 30, 2023.
- In August, to remain compliant with PERAC's seven-year investment vendor regulation, Meketa Investment Group issued an RFP on behalf of the System to evaluate the US small cap value universe.
 - A total of 34 managers submitted responses to this search.
 - Based upon our review and evaluation of each respondent, Meketa Investment Group has three managers ranked as “Highly Advantageous,” 27 ranked as “Advantageous,” and three managers ranked as “Not Advantageous.”
 - We eliminated one manager because they did not meet the requirements set forth in the RFP.
- The following pages review the 33 qualified manager respondents.

Small Cap Value Equity RFP Respondent Review

RFP Respondents

Manager	Headquarters	Strategy	Overall Rating
Brown Advisory	Baltimore, MD	Small Cap Fundamental Value	Highly Advantageous
Systematic Financial Management	Teaneck, NJ	Small Cap Value Free Cash Flow	Highly Advantageous
Vaughan Nelson	Houston, TX	Small Cap Value	Highly Advantageous
Ariel Investments, LLC	Chicago, IL	Small Cap Value	Advantageous
Boston Partners	Boston, MA	Small Cap Value	Advantageous
Bridgeway Capital Management	Houston, TX	Small Cap Value	Advantageous
Cambiar Investors	Denver, CO	Small Cap Value	Advantageous
Congress Asset Management	Boston, MA	Small Cap Value	Advantageous
Cramer Rosenthal McGlynn	New York, NY	Small Cap Value	Advantageous
DePrince, Race, & Zollo	Winter Park, FL	Small Cap Value	Advantageous
Easterly Investment Partners	Beverly, MA	Snow Small Cap Value	Advantageous
First Pacific Advisors	Los Angeles, CA	Queens Road Small Cap Value	Advantageous
Fisher Investments	Plano, TX	Small Cap Value	Advantageous
Franklin Templeton	San Mateo, CA	US Small Cap Value Equity	Advantageous
Frontier Capital Management	Boston, MA	Small Cap Value	Advantageous
Hotckis & Wiley	Los Angeles, CA	Small Cap Diversified Value	Advantageous
Invesco	Atlanta, GA	Small Cap Value	Advantageous
Kennedy Capital Management	St. Louis, MO	Small Cap Value	Advantageous
Leeward Investments LLC	Boston, MA	Small Cap Value	Advantageous
LSV Asset Management	Chicago, IL	Small Cap Value	Advantageous
Mesirow	Chicago, IL	Small Cap Value Equity	Advantageous
Neuberger Berman	New York, NY	Small Cap Intrinsic Value	Advantageous
NewSouth Capital Management	Memphis, TN	Small Cap Value	Advantageous
Newton Investment Management	London, UK	US Small Cap Value	Advantageous
Peregrine Capital Management	Minneapolis, MN	Small Cap Value	Advantageous
PIMCO	Newport Beach, CA	RAE US Small	Advantageous
Wasatch Global Investors	Salt Lake City, UT	Small Cap Value	Advantageous
WCM Investment Management	Cincinnati, OH	Small Cap Quality Value	Advantageous
Wedge Capital Management	Charlotte, NC	Small Cap Value	Advantageous
Westwood Management Corporation	Dallas, TX	Small Cap Value	Advantageous
Bailard Institutional	Foster City, CA	US Small Value	Not Advantageous
Great Lakes Advisors	Chicago, IL	Small Cap Value	Not Advantageous
Pzena Investment Management	New York, NY	Small Cap Focused Value	Not Advantageous

Brown Advisory, LLC

Strategy:
Brown Advisory Small Cap Fundamental Value

Asset Class:
US Equity

Meketa Ranking:
Highly Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Highly Advantageous	<ul style="list-style-type: none"> → Brown Advisory was founded in January 1993. Brown Advisory is majority employee-owned. Current employees hold 70% of the company's equity. → As of March 31, 2023, Brown managed \$130.7 billion in AUM across eight equity and one fixed income product. The Small Cap Value strategy, inception in January 2009, had \$2.0 billion in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → David Schuster has been the portfolio manager of the Small Cap Fundamental Value portfolio since the strategy's inception. Prior to joining Brown, Mr. Schuster was a managing director for the Financial Institutions Merger & Acquisition/Advisory Group of Citigroup and a managing director in the M&A practice of Lazard Freres. Michael Poggi, CFA, had been the strategy's associate portfolio manager until the end of 2022, when he relinquished that role to become a PM on a newly created product, Brown Large-Cap Sustainable Value. The Associate PM role is more of a sounding board. Decision-making has always rested with Mr. Schuster. → Brown Advisory has 53 sector-focused analysts organized in a central research structure. The analysts support all the portfolio managers. Each strategy also has an informal "working group" that consists of a sub-set of analysts from central research. Small Cap Fundamental Value's working groups consists of five analysts who started in the investment industry between 2001 and 2011.

Brown Advisory, LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Philosophy	Highly Advantageous	<ul style="list-style-type: none"> → Mr. Schuster believes that investing in companies with sustainable free cash flow and management teams that effectively allocate capital will lead to strong risk-adjusted returns. → Mr. Schuster views growth in a company's cash flow as an important part of the potential total return. The team looks for companies in which the reported GAAP net income differs materially from free cash flow. → Brown's investment team evaluates businesses the same way as a potential acquirer. They are long-term oriented with a two to three-year investment horizon.
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → Investment ideas come from quantitative screens, investment conferences, company visits, and the industry-specific knowledge of the analysts. The primary purpose of the team's research is to understand the key attributes of each business. Due diligence includes analyzing and modeling financial statements, on-site visits, and reviewing market research. The team also leverages the firm's extensive network of venture capital and private equity relationships, clients, directors and outside shareholders. Multiple analysts often perform research on any given company. → Mr. Schuster makes investment decisions. He holds post-mortem meetings to learn from names that went wrong/right. → The portfolio holds 50-80 holdings. Name turnover is usually about 25%, while total portfolio turnover is normally 30% to 50%.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 74 and 63 basis points over five and seven years, respectively, ranking in the 76th and 69th percentiles, respectively. Tracking error has been right below the median, resulting in an information ratio that ranked in the 77th and 69th percentiles over five years and seven years. Performance has been more consistent than trailing results imply. The trailing results are marred by a poor 2020, in which strategy lagged the index by 955 basis points.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 1.00%. Ranked 32 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 65th percentile.

Systematic Financial Management.

Strategy:
Small Cap Value Free Cash Flow

Asset Class:
S Equity

Meketa Ranking:
Highly Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Systematic Financial Management (“Systematic”) was founded in December 1982 in Teaneck, NJ. Systematic is a wholly-owned affiliate of Affiliated Managers Group (“AMG”). AMG owns stakes in 35 affiliate investment boutiques with aggregate assets under management of \$650 billion as of 3/31/2023. → As of March 31, 2023, Systematic manages \$3.5 billion in assets, including \$3.1 billion in Small Cap Value Free Cash Flow. The firm also manages a SMID Cap Value Free Cash Flow and a Mid Cap Value Free Cash Flow portfolio that follows the same investment approach as Small Cap Value Free Cash Flow.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Portfolio manager Kenneth Burgess leads the investment team. Mr. Burgess has spent his entire investment career at Systematic, which he joined in 1993. He has managed the Small Cap Value Free Cash Flow strategy since 1996, and he became a partner of the firm in 1997. Mr. Burgess also manages the SMID Cap Value Free Cash Flow and Mid Cap Value Free Cash Flow strategies with the same investment team. Ryan Wick, CFA, serves as co-PM on the Small Cap Value strategy. Mr. Wick has been with the firm since 2005 and started in the industry in 1999. → Messrs. Burgess and Wick are supported by a team of four analysts who joined the firm between 2004 and 2023. These individuals each cover multiple sectors.
Investment Philosophy	Highly Advantageous	<ul style="list-style-type: none"> → Mr. Burgess believes that the value of a company is determined by the stream of cash flows that it will generate and that the company’s value will eventually be recognized by the market. He focuses the team on companies with sustainable and predictable cash flows. → The team emphasizes companies with strong balance sheets, including low leverage, low capital intensity, and strong cash flow debt coverage. The investment team holds businesses for the long-term to let the cash flows compound. The portfolio has an average holding period of five plus years and an average annual turnover of ~20%.

Systematic Financial Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The investment process begins with a quantitative screen of the Russell 2000 index. The screen’s metrics are largely cash flow and balance sheet based, including price/operating cash flow, price/free cash flow, enterprise value/free cash flow, total debt to capitalization, and debt coverage. → Analysts then fundamentally analyze the target companies. They begin by reviewing the business model. They attempt to identify and understand the key business attributes to assess the sustainability of the business model. They also review and analyze company management and its strategy for executing the business model. Meeting with company management is a key element of the due diligence process. Mr. Burgess makes final investment decisions. → The final portfolio will hold 100 to 150 stocks. Position sizes are limited to 5% of the total portfolio.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 214 and 325 basis points over five and seven years, respectively, ranking in the 48th and 20th percentiles, respectively. Tracking error has been in the 28th and 38th percentiles, which has resulted in an information ratio that ranks in the 42nd percentile over five years and 12th percentile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.90%. Ranked 27 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 41st percentile

Vaughan Nelson

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Highly Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Vaughan Nelson was founded in 1970 in Houston, TX. Vaughan Nelson has been wholly owned by Natixis Asset Management since 1996. Natixis owns 10 investment managers throughout the world. → As of March 31, 2023, the firm managed \$14.2 billion in assets across three domestic equity strategies, three non-US equity strategies, and two fixed income portfolios. Small Cap Value, which was inceptioned in April 1997, had \$2.7 billion in assets.
Team	Highly Advantageous	<ul style="list-style-type: none"> → CIO and Lead PM Chris Wallis leads the Small Cap Value investment team. Mr. Wallis performs company level research, provides macroeconomic insights, and is the final decision maker for the Small Cap Value portfolio. He joined Vaughan Nelson in 1999 and started in the investment industry in 1991. → Stephen Davis was formally named Mr. Wallis's Co-PM on Small Cap Value on January 1, 2019. Mr. Davis had been in the investment industry since 2005 and joined VN in 2010. Prior to VN, he was an analyst at Goldman Sachs for 4.5 years. Mr. Davis retired on March 31, 2023. James Eisenmann was formally named Co-PM on the Small Cap Value strategy at Mr. Davis's retirement. Mr. Eisenmann has been at VN since 2005. → Messrs. Wallis and Eisenmann are supported by a team of three fundamental equity analysts who joined VN between 2005 and 2020. The analysts are generalists, covering companies across sectors, though some have expertise in certain sectors. These individuals support VN's three US equity strategies.

Vaughan Nelson (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Philosophy	Highly Advantageous	<ul style="list-style-type: none"> → Vaughan Nelson believes that stocks can experience short-term declines in price and trade below their long-term intrinsic value due to information and liquidity inefficiencies. Mr. Wallis views the change in Return on Invested Capital (ROIC) as the key driver of stock price appreciation. → Mr. Wallis is a flexible value manager. He looks for companies with undervalued earnings growth, companies that trade at a discount to their asset value, and companies with an attractive dividend yield. Mr. Wallis believes that investing in these three categories enhances performance across different markets.
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The process is largely bottom-up, though the team has an understanding of macroeconomic variables. The investable universe comprises companies in the Russell 2000 Value Index. Due diligence includes financial statement analysis, meeting with management, evaluation of the company's strategy, assessment of cyclical and secular trends, and discussions with customers, suppliers, competitors, and other industry participants. → Once presented with the research, Messrs. Wallis and Eisenmann decide whether the stock should be included in the portfolio. They are absolute-return oriented, and stocks need to have at least 50% appreciation potential over their three-year investment horizon. The portfolio typically holds 60-80 stocks. Annual portfolio turnover approximates 60-80%, with name turnover of about 30-50%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 508 and 275 basis points over five and seven years, respectively, ranking in the 12th and 24th percentiles, respectively. Tracking error has been just above the median, which has resulted in an information ratio that ranks around top decile over five years and top quartile over seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.80%. Ranked 18 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 20th percentile.

Ariel Investments, LLC

Strategy:
Ariel Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Ariel Investments is a Chicago-based investment management firm. The firm was founded in 1983 by John Rogers Jr. As of March 2023, the firm managed \$17.1 billion in assets, with \$1.7 billion in Small Cap Value. → Ariel is majority (92.6%) employee- and 78% African American-owned. The balance is held by outside shareholders who helped finance the firm’s initial start-up. The two largest shareholders are Co-CEO and Founder, John Rogers, Jr, and Co-CEO and President, Mellody Hobson (73.6% combined interest).
Team	Advantageous	<ul style="list-style-type: none"> → Ariel Investments’ domestic equity team is led by CIO John Rogers. Mr. Rogers and Ken Kuhrt manage this strategy. Mr. Kuhrt has been with Ariel since 2004 and has worked on the Small Cap strategy since joining. → A team of five industry specialists and two ESG analysts support the portfolio managers on all the firm’s domestic equity offerings.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes that companies that dominate niches in consistent industries that are financially strong with experienced management teams and that trade at a discount of 40% or greater to the team’s intrinsic value estimate offer the best potential for long-term outperformance. → The strategy follows a benchmark-agnostic, absolute value approach with a long-term 3–5-year horizon.

Ariel Investments, LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → Ariel uses a bottom-up, fundamental approach to security selection. The team sources ideas from online sources, periodicals, interviews, meetings, etc. The team invests primarily in companies with markets caps in the range of the Russell 2000 Index, though companies can deviate outside of the range once held. → Due diligence focuses on financial strength and relative valuation, the competitive backdrop of the industry, management team experience, and quality of products/services. The team considers valuation in relation to earnings. They aim to invest in companies trading at least at a 40% discount to intrinsic value estimates. The Co-PMs make final investment decisions on the strategy. → The portfolio generally contains 25-45 stocks. Annual turnover averages around 20-30%.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 241 and 210 basis points over five and seven years, respectively, ranking in the 44th and 36th percentiles, respectively. Tracking error has been above the median, ranking 63rd and 71st, which has resulted in an information ratio that ranks just above the median over five years and seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.92%. Ranked 28 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 55th percentile.

Boston Partners

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Boston Partners (BP) is an established asset management firm based in Boston, MA. Boston Partners is a wholly owned subsidiary of Orix Corp. (TYO: 8591), a publicly traded financial services company based in Japan. → As of March 31, 2023, Boston Partners managed \$88 billion in long-only and long/short domestic and global equity products. The Small Cap Value strategy was inceptioned in July 1995 and has \$2.5 billion in assets.
Team	Advantageous	<ul style="list-style-type: none"> → The strategy is managed by George Gumpert, CFA, Portfolio Manager. He is responsible for final decisions for the portfolio. Mr. Gumpert joined the team in 2000 as a dedicated Small and Small/Mid Cap Value analyst and was promoted to assistant portfolio manager in 2005 and portfolio manager in 2010. Mr. Gumpert also manages the SMID Value and Small Cap Value II strategies. David Debora, who managed the strategy starting in 2001, retired in September 2022, after 27 years at the firm. → A team of 28 Global Research Analysts organized around industry specialties supports all of Boston Partners' value equity strategies globally. Quantitative researchers primarily focus on building multi-factor investment and risk models. Each group works contemporaneously. → Additionally, Mr. Gumpert has two dedicated research analysts, David Hinton and Volken Gulen, who focus solely on small cap.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → Boston Partners believes there are a few fundamental truths to investing that have been empirically proven to produce superior returns over full market cycles. Specifically, Boston Partners believes that low valuation stocks outperform high valuation stocks, companies with strong fundamentals outperform companies with weak fundamentals, and stocks with positive business momentum outperform those with poor momentum

Boston Partners (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The investable universe comprises companies with markets caps in the range of the Russell 2000 Index (about 3,800 businesses). The investment process starts with quantitative scoring and screening, resulting in a composite score for each stock in the investment universe based on 1) relative valuation, 2) momentum, and 3) fundamentals. From there, the team examines the model’s output for data validation. → Attractive investment candidates are then analyzed by the fundamental equity research team. The team focuses on identifying a stock’s potential catalyst. Research includes discussions with management, suppliers, and competitors and a review of public filings. The most attractive candidates are rated and presented to all the firm’s PMs and analysts. Mr. Gumpert makes final investment decisions for Small Cap Value. → The end result is a diversified portfolio of about 150 stocks. Portfolio turnover can range from 20-70% per annum.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 150 and 85 basis points over five and seven years, respectively, ranking in the 63rd and 64th percentiles, respectively. Tracking error has been in the bottom quintile, which has resulted in an information ratio that ranks above the median over five years and seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.90%. Ranked 26 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 41st percentile

Bridgeway Capital Management, LLC

Strategy:
Bridgeway Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Bridgeway Capital Management was founded in 1993 by John Montgomery. The firm is headquartered in Houston, TX. The firm is 69.4% employee-owned, with Mr. Montgomery owning 44.5%, 16.6% family-owned by relatives of Mr. Montgomery, and 14% owned by a special purpose trust. The firm manages three US small/micro cap strategies and an emerging markets small cap strategy. → As of March 31, 2023, Bridgeway AUM was \$3.8 billion. Bridgeway Small Cap Value, incepted in July 2002, had \$618 million in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → John Montgomery, Elena Khoziaeva, and Michael Whipple lead the Small Cap Value team. Mr. Montgomery is Founder, President, CEO, and CIO at the firm. He started in the industry in 1993. Ms. Khoziaeva and Mr. Whipple served as analysts on the strategy since its inception and were both promoted to PMs in 2005. Ms. Khoziaeva started in the industry in 1998. Mr. Whipple has spent his entire investment career at Bridgeway, starting in 2002. → Three portfolio managers and six analysts dedicated to research and technology work on the Small Cap Value strategy. All members of the team have research responsibilities and are generalists. At Bridgeway, there are only subtle distinctions between PMs and research analysts.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → Bridgeway believes that factors drive stock prices over the long-term and that strong factor exposure can provide higher returns. The investment philosophy is supported by four core beliefs: 1. data drives everything 2. factor exposures shape returns 3. favorable factor exposure and diversification improves portfolios 4. discipline, research, and continuous investment produces results.

Bridgeway Capital Management, LLC (continued)

Investment Process	Advantageous	<ul style="list-style-type: none"> → The process is bottom-up and focuses on a universe of stocks within the range of the Russell 2000 Value Index. The universe is narrowed based on three investment themes: value, quality, and sentiment. The three investment themes are implemented through statistical models that rank the entire universe on one or more measures. Measures include data from company financial statements along with market prices. Typically, the highest ranked groups of stocks from each model are selected for the portfolio. The overall weight for the group of stocks from a model is a range based on results of optimization of returns from the various models. As a quantitative strategy, the team does not meet with management teams as they prefer to rely on the data. → Once the models have selected stocks for the portfolio, the portfolio manager conducts a risk review for sector and security diversification, portfolio characteristics, and tax impact, when applicable. Portfolio managers can only purchase stocks selected by the models, but the risk review allows some discretion by the portfolio manager to choose among statistically indifferent stocks chosen by the model. → The portfolio typically holds 100-135 securities with expected annual turnover of 70-100%. Position sizes are limited to 1.5% on the absolute level and 1% active weight relative to the stock weight in the Russell 2000 Value index. Sector weights are limited to +/- 4% of the Russell 2000 Value sector weight.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 927 and 635 basis points over five and seven years, respectively, ranking in the 2nd and 4th percentiles, respectively. Tracking error has been in the top quintile, which has resulted in an information ratio that ranks in the 1st percentile over five years and 4th percentile over seven years. It is worth noting that performance is skewed by an especially strong 2021, when the strategy outperformed R2KV by 41%.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.75%. Ranked 11 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 11th percentile.

Cambiar Investors LLC

Strategy:
Cambiar Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Cambiar Investors was founded in 1973 by Michael Barish and is headquartered in Denver, CO. The firm is 100% employee owned across 21 employees. → As of March 31, 2023, Cambiar had \$3.4 billion in AUM. The Small Cap Value strategy, incepted in November 2004, had \$114 million in AUM. The domestic equity team also manages a Large Cap Value strategy with \$1.5 billion and a SMID Value strategy with \$379 million in AUM. The firm has endured a large AUM decline from ~\$13 billion in 2018 to current AUM levels.
Team	Advantageous	<ul style="list-style-type: none"> → Andy Baumbusch and Colin Dunn manage the Small Cap Value strategy. Mr. Baumbusch started in the industry in 1998 and joined Cambiar in 2004. He has managed the strategy since inception. Mr. Dunn started in the industry in 2000 and joined the firm in 2011. He has co-managed the strategy since 2017. → Messrs. Baumbusch and Dunn are supported by a team of five equity analysts. Each member on the seven-person team is assigned two to three sectors/industries to cover. Messrs. Baumbusch and Dunn jointly make decisions for the portfolio. This team is responsible for the four US equity strategies, which span the capitalization spectrum.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → Cambiar employs a fundamental, bottom-up investment approach that can be categorized as relative value. They seek to invest in companies that meet their three key tenants: quality, price, and discipline. They believe that applying a disciplined approach to investing in quality businesses that are trading at reasonable valuations based on price relative to future earnings/cash flow expectations should lead to excess returns over the long-term.

Cambiar Investors LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<p>→ The investable universe includes companies with market capitalizations between \$500 million and \$5 billion. Companies must meet the team’s criteria on four levels: quality, valuation, value creation/catalyst, and risk-reward. This criterion seeks to identify the best companies in the universe based on management teams, consistent margins, return on invested capital, low leverage, and free cash flow, in addition to attractive total return potential that includes price appreciation and dividends over a forward 1–2-year timeframe. The team believes that meeting with management teams is essential for investing. The team does not review outside research with the exception of sell-side reports with a “sell” rating. All research is internally generated, including earnings models and financial statements that analysts are responsible for building. Final buy/sell decisions for the team are made by Co-PMs.</p> <p>→ The portfolio typically holds 45-55 securities with an annual turnover rate of 40-60%. Individual positions are limited to 3.25% of the overall portfolio with sector limits of 25% of overall portfolio.</p>
Performance	Advantageous	<p>→ The strategy has outperformed the index by 387 and 139 basis points over five and seven years, respectively, ranking in the 23rd and 51st percentiles, respectively. Tracking error has been in the 65th percentile over both periods, resulting in an information ratio that ranks in the 28th percentile over five years and 57th percentile over seven years.</p>
Fees	Advantageous	<p>→ Separate account estimated fee: 0.75%. Ranked 12 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 11th percentile.</p>

Congress Asset Management Company, LLP

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Congress Asset Management was founded in 1985 by Alfred A. Lagan and is headquartered in Boston, MA. The firm is 100% owned by the Lagan family through trust companies. → As of March 31, 2023, Congress's AUM was \$10.7 billion. Small Cap Value, inceptioned in November 2010, had \$353 million in AUM and is one of seven domestic equity strategies.
Team	Advantageous	<ul style="list-style-type: none"> → Jeff Kerrigan is the Lead PM for the Small Cap Value team. He is supported by two additional PMs, Martine Elie, and John Beaver. Mr. Kerrigan started in the industry in 1993 and joined Congress in 2017. Ms. Elie started in the industry in 1995 and joined Congress in 1999. Mr. Beaver started in the industry in 1994 and joined Congress in 2002. Ms. Elie and Mr. Beaver were added to the team in January 2020. → The strategy's PMs are supported by a team of eight equity research analysts, who support all seven domestic equity strategies. Each analyst covers specified sectors, which are rotated every 2-3 years, or as needed. Some analysts serve on the Investment Policy Committee for various strategies. The Small Cap Investment Policy Committee consists of the three PMs and is responsible for all decisions related to the Small Cap Value strategy.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The Small Cap Value strategy follows a bottom-up, style neutral approach. They seek to invest in cheaper stocks (based on low P/E and P/B) within less innovative sectors (financials, utilities, materials, energy, consumer staples) and stocks that have better profitability (as measured by high gross margins and high return on equity) and better growth (trailing and expected growth) in more innovative sectors (IT, healthcare, consumer discretionary, and industrials).

Congress Asset Management Company, LLP (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → The investable universe is comprised of roughly 1,500 companies with market capitalizations within the range of the Russell 2000 Value with at least \$5 million in average daily trading volume. The universe is further narrowed down to 300 companies by quantitative screens. These screens incorporate 14 factors, categorized into groups: quality, estimate revision, valuation, and price momentum. These factors are constant across all sectors and industries. Factor weightings, however, will vary across industries to customize for key drivers and catalysts. → Companies are scored and ranked within their respective industries. Companies with a score greater than 1.0 are investable candidates warranting fundamental due diligence. Due diligence includes meeting with management teams and competitors, attending industry conferences and reviewing sell-side research. The team also utilizes third party research providers such FactSet, Bloomberg, and Reuters. → The portfolio typically holds 70-110 securities. Sector and industry weightings are limited to +/- 5% relative to the Russell 2000 Value index. The average annual turnover rate is 15-60%.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 231 and 152 basis points over five and seven years, respectively, ranking in the 46th and 48th percentiles, respectively. Tracking error has ranked in the bottom quartile over both periods, which has resulted in an information ratio that ranks in the top third over five years and 40th percentile over seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.65%. Ranked 5 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 7th percentile.

Cramer Rosenthal McGlynn

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Cramer Rosenthal McGlynn (CRM) was founded in 1973 in New York, NY, but the firm is now headquartered in Stamford, CT. CRM is 100% employee-owned. → As of March 31, 2023, CRM managed \$2.4 billion in assets across four US value equity strategies. The Small Cap Value strategy was incepted in October 1995 and had \$609 million assets under management.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Brian Harvey has been a Portfolio Manager on the strategy since 2011 and has been at the firm since 2005. Prior to CRM, he was an equity research analyst at Fox-Pitt, Kelton. Brian also spent four years as an accountant in the financial services audit practice at KPMG LLP and earned his CPA designation. Bernard C. Frojmovich has been co-managing the strategy since 2018 and has been at the firm since 2009. Previously, he was a Vice President and senior analyst on the U.S. Small and Mid-Cap Value Equity Team at BlackRock. Prior to BlackRock, he covered financial services as an investment analyst at Morgan Stanley Investment Management and a credit analyst at JPMorgan Chase. → Messrs. Harvey and Frojmovich are supported by a team of 10 sector specialists who support all of CRM's strategies. While the entire investment team contributes to the Small Cap strategy, as co-portfolio managers, Messrs. Harvey and Frojmovich are responsible for the overall management of the portfolio.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → CRM is a relative value investor that seeks out companies undergoing change and neglect with attractive valuations. Change can be situations such as new management teams, spin-offs, restructurings, acquisitions, divestitures, and new products. These changes often result in these companies being neglected in terms of Street coverage, which results in attractive valuations.

Cramer Rosenthal McGlynn (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<p>→ CRM uses a bottom-up approach to stock selection. CRM's investment universe comprises companies with market caps ranging from \$400 million - \$2.5 billion at purchase. CRM generates ideas primarily from qualitative sources, including news, due diligence on existing holdings, and internal research databases. They also employ screens to identify companies with low valuation and business momentum. The due diligence effort includes meeting with management, studying industry trends, and mapping the competitive landscape. Analysts prepare an Investment Case for each holding, which establishes both upside and downside price targets and present to the broader team. Individual PMs make decisions on applicability for their portfolios.</p> <p>→ The strategy will generally hold between 35 and 50 securities, and the typical annual portfolio turnover is 40-60%.</p>
Performance	Not Advantageous	<p>→ The strategy has underperformed the index by 37 and 13 basis points over five and seven years, respectively, ranking in the 90th and 81st percentiles, respectively. Tracking error has been right around the median, which has resulted in an information ratio that ranks in the bottom decile over five years and bottom quintile over seven years.</p>
Fees	Not Advantageous	<p>→ Separate account estimated fee: 0.85%. Ranked 19 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 28th percentile</p>

DePrince, Race, & Zollo

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Highly Advantageous	<ul style="list-style-type: none"> → Based in Winter Park, FL, Greg DePrince, John Race and Victor Zollo founded the firm in April 1995. DRZ is 100% employee-owned. → As of March 31, 2023, the firm had total AUM of \$4.8 billion. This amount is down significantly from peak assets of \$8.5 billion at the end of 2013. Incepted in June 1995, DRZ Small Cap Value had AUM of \$1.9 billion.
Team	Advantageous	<ul style="list-style-type: none"> → PMs Greg Ramsby and Randy Renfrow co-manage the Small Cap Value strategy. Mr. Ramsby has worked on the product since 1996 and started in the industry in 1990. Mr. Renfrow started in the industry in 1999 and has been involved with the strategy since 2008. → A team of four analysts, all of whom are generalists, support the PMs. The analysts started in the investment industry between 1997 and 2009. One analyst was added to the team at the end of 2019.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → DRZ is a relative value manager. The firm looks at the value of a stock relative to its historical range and compares it to the overall small cap market. → The investment team believes in mean reversion and likes to invest in businesses that grow. → All stocks in the portfolio have a minimum dividend yield of 1%, giving the strategy a “quality” bias.

DePrince, Race, & Zollo (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → The process begins with a screen for yield, market cap and stocks trading in the lower third of their historic relative valuation range. → The investment team performs financial analysis and due diligence to determine why the stock is relatively inexpensive. Potential catalysts are identified to close the valuation gap between the stock’s current share price and what the investment team believes the company is worth. → DRZ seeks out companies with strong management teams that have a history of execution and operating in the interests of shareholders. → Messrs. Ramsby and Renfrow make the final investment decisions. They construct a portfolio of 55 to 70 stocks. The portfolio is bottom-up driven with an economic overlay. Annual turnover typically ranges between 80% and 100%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 496 and 462 basis points over five and seven years, respectively, ranking in the 13th and 9th percentiles, respectively. Tracking error has been in 41st and 38th quintile, which has resulted in an information ratio that ranks in the 5th and 3rd percentiles over five years and seven years, respectively.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.70%. Ranked 8 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 8th percentile

Easterly Investment Partners LLC

Strategy:
Snow Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Easterly Investment Partners (EIP) launched as the traditional, fundamental-based investment arm of Easterly Asset Management (EAM), a multi-affiliate platform, in March 2019. EIP then acquired Snow Capital, a boutique focused on US equity strategies, in July 2021. Current employees of EIP own around 18% of EIP through their ownership of EIP’s parent entity, while EAM owns the remaining 82%. → As of March 31, 2023, EIP’s AUM was \$3.3 billion. Small Cap Value, incepted October 2006, had \$447.2 million in AUM. The Small Cap Value team also manages a SMID Cap Value strategy with \$200,000 in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → Senior Portfolio Manager Joshua Schachter and Portfolio Manager Philip Greenblatt manage the strategy. Mr. Schachter was previously a Senior Portfolio Manager at Snow Capital, prior to the acquisition, and he has managed the strategy since its inception. He also manages the All-Cap Value and SMID Value strategies. He joined Snow Capital in 2001 and earned his B.S. from Allegheny College and his MBA in finance from the University of Pittsburgh. He is a CFA charterholder. Mr. Greenblatt joined Snow Capital in 2010, holding both operations and investment titles. He was named a Portfolio Manager on the Small Cap and SMID Cap Value strategies in 2020, having previously served as an analyst. He earned his B.S. in Finance with an Economic minor from the University of Pittsburgh. He is also a CFA charterholder. → The Co-PMs are supported by a team of three analysts. All analysts are generalists. These analysts support all six of Snow’s domestic equity strategies, which span the market cap spectrum.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team employs a contrarian, fundamental, relative value philosophy. They believe that risk-adjusted returns can be achieved by investing in financially strong companies whose stock is undervalued due to temporary difficulties. They seek to take advantage of investor’s overreaction to negative information or when correlations rise and stocks sell off for reasons unrelated to their fundamentals to invest in out of favor stocks that they estimate have a substantially higher intrinsic value than the market is recognizing. They look for companies with specific catalysts that will lead to the stock becoming fairly valued.

Easterly Investment Partners LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Not Advantageous	<ul style="list-style-type: none"> → Beginning with a universe of all publicly traded securities on domestic exchanges, Portfolio Managers and Analysts limit the list of potential investments to 100-200 names, using preliminary screens on valuation, market capitalization, and stock fundamentals. → This list is culled further through a more detailed review of the financial statements, industry characteristics, potential catalysts, and possible upside. Once a name has been identified as a potential investment, a Portfolio Manager approves the idea and requests a formal review by an analyst. The review represents an exhaustive review of the company, including an evaluation of the business and competitive landscape, financial statement analysis, modeling, and a comprehensive examination of the security's underlying valuation. → Valuation starts with a thorough understanding of a company's long-term earnings power, financial condition, and industry background. They utilize Wall Street research to collect and organize the data for this stage of research. For each stock that passes the initial evaluation they develop a 'normalized' E.P.S. estimate. Normalized earnings represent forward-looking 18-to-24-month earnings, after recovery from the temporary challenge afflicting the company. → The duration of the analytic review often exceeds three months and involves collaboration between the analyst and PMs. Upon completion of the review process, the analyst presents an objective assessment of the investment idea in a formal meeting attended by all PMs. Mr. Schacter makes investment decisions but will work collaboratively with Mr. Greenblatt. → The portfolio will hold 40-50 securities. Position sizes are limited to 5% of the portfolio's market value and there are no limitations to sectors or industries.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 370 and 154 basis points over five and seven years, respectively, ranking in the 25th and 47th percentiles, respectively. Tracking error has ranked in the top quintile over both periods, which has resulted in an information ratio that ranks 39th over five years and 59th over seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.50%. Ranked 1 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 2nd percentile.

First Pacific Advisors, LP

Strategy:
FPA Queens Road Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → First Pacific Advisors (FPA) was founded in 1954 and is based in Los Angeles, CA. The firm is 100% employee owned by eight employees. The firm offers equity and fixed income products. → As of March 31, 2023, firm AUM was \$24.3 billion. The FPA Queens Road Small Cap Value strategy had \$497 million in AUM. The Queens Road Small Cap Value strategy was inceptioned in June 2002 and has been sub advised by Bragg Financial Advisors (BFA) since that time.
Team	Not Advantageous	<ul style="list-style-type: none"> → Steven Scruggs has been Portfolio Manager for the fund since its inception. He joined BFA in 1999 as a Research Analyst. Prior to that, he was a Product Manager for GMAC Insurance and Reliance Insurance Companies. He received his BA from North Carolina State University and his MBA from Wake Forest University. He is a CFA Charterholder. → Mr. Scruggs is supported by Benjamin Mellman. Mr Mellman is a Senior Analyst and joined BFA in 2022. Prior to BFA, he was a Senior Analyst at International Value Advisors for 10 years. Mr. Mellman earned his BA and MBA from Columbia University.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes owning a diversified portfolio of value-creating companies acquired at attractive prices with a margin of safety has a high likelihood of investment success over time. Around 80% of the portfolio is held in high quality, long-term “compounders”, with the remainder invested in special situations. They define quality as companies with strong balance sheets, a track record of proven execution and capital allocation and favorable industry dynamics.

First Pacific Advisors, LP (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<p>→ The team follows a four-step approach to identify companies they believe have the greatest likelihood to maximize returns while limiting volatility. The process uses quantitative and qualitative analysis to evaluate: 1. balance sheet strength 2. valuation 3. management 4. sector and industry. Balance sheet analysis seeks to identify companies with strong balance sheets, manageable debt, and strong free cash flow. Valuation uses a free cash flow and earnings models based on normalized operating margins that are discounted at a rate that reflects the riskiness of the cash flows. The team evaluates the long-term track record of the management team. They like to see managements with a track record of building shareholder value, creating competitive advantages and negotiating economic and industry uncertainty. Sector and Industry analysis seeks to identify companies in growing industries with favorable economics for long-term growth. Mr. Scruggs makes all investment decisions for the portfolio.</p> <p>→ The portfolio will hold 45-60 securities with a four-to-six-year investment horizon. Average annual turnover for the portfolio is around 20%. Individual position sizes are limited to 5%. Industry weights are limited to 25% of portfolio weight.</p>
Performance	Advantageous	<p>→ The strategy has outperformed the index by 490 and 108 basis points over five and seven years, respectively, ranking in the 14th and 59th percentiles, respectively. Tracking error has ranked in the top quintile over both periods, which has resulted in an information ratio that ranks 29th over five years and 67th over seven years.</p>
Fees	Not Advantageous	<p>→ Mutual Fund estimated fee: 0.89%. Ranked 24 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 36th percentile.</p>

Fisher Investments

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Fisher Investments is a 100% employee-owned investment manager founded in 1979 by Ken Fisher. Executive Chairman and Co-CIO Ken Fisher holds approximately 90% of the company directly or indirectly through trusts. → As of March 31, 2023, Fisher managed \$192 billion in AUM, including \$42.6 billion in institutional assets and \$141.3 billion in high-net-worth assets. The Small Cap Value strategy, incepted in January 1990, had \$4.5 billion.
Team	Advantageous	<ul style="list-style-type: none"> → A five-person Investment Policy Committee, led by Ken Fisher, develops the firm’s top-down views and makes security selection decisions across all portfolios. → The investment team supporting the IPC is divided into three groups. First, the Capital Markets Research Team, organized around geographic and sector lines, formulates macroeconomic, political, and sentiment outlooks, develops themes and helps inform the IPC on sector weighting considerations. The Securities Research Team performs the bottom-up analysis of companies and is organized around global sectors. The Capital Markets Innovation Team performs statistical and risk analysis of portfolios.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → Fisher follows a relative value investment approach. However, top-down research and macroeconomic themes, as opposed to fundamental, bottom-up analysis, drives sector positioning and security selection.

Fisher Investments (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Not Advantageous	<ul style="list-style-type: none"> → The process starts by sorting the US equity universe by market value. The starting universe comprises the smallest 1,500 of the largest 2,500 US companies by market cap. Fisher’s proprietary multivariate valuation model is then used to consistently define the value universe and focus the team’s efforts on the most appropriate companies. → The process is top down driven. The five members of the IPC determine the firm’s top down views and which sectors and industries they over and underweight. Once the market and investment themes are established, the Analysts look for companies that leverage those themes. The Analysts perform relatively modest due diligence on the companies. They usually do not meet with management, though will speak with them on the phone at times. How well a stock fits Fisher’s top-down theme is more important than its valuation. For this reason, the portfolio will, at times, look expensive or growthier relative to the index. The IPC makes all buy, sell, and position sizing decisions. → The end result is a portfolio of 60-110 stocks. Annual turnover averages around 20-30% over a full market cycle.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 386 and 343 basis points over five and seven years, respectively, ranking in the 23th and 18th percentiles, respectively. Tracking error has been near the top quintile, which has resulted in an information ratio that ranks in the 26 and 27th percentiles over five years and seven years, respectively.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.85%. Ranked 20 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 28th percentile

Franklin Templeton

Strategy:
Franklin US Small Cap Value Equity

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Franklin Templeton was founded in 1947 by Rupert H. Johnson Sr. Franklin is headquartered in San Mateo, CA and has over 70 offices globally. The firm is publicly traded on the NYSE. → As of March 31, 2023, firm AUM was \$1.4 trillion. The Franklin Small Cap Value strategy was inceptioned in November 2001 and had \$5.9 billion in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → Steven Raineri, Christopher Meeker, and Nicholas Karzon are the Portfolio Managers for the Small Cap Value strategy. Mr. Raineri has been the sole lead PM for the strategy since 2014. Mr. Raineri started in the industry in 1994 and joined the firm in 2005. He earned a BBA in Finance from Bernard Baruch College and an MBA from Fordham University. Mr. Meeker started in the industry in 1998 and has been at the firm since 2012. He earned his BA in Finance from Hobart College and is a CFA Charterholder. Mr. Karzon started in the industry in 2009 and joined the firm in 2014. He holds a BA in Economics from Yale University and is a CFA Charterholder. → The Co-PMs are supported by three research analysts. Each PM and analyst have specific sector coverage. Mr. Raineri makes all final investment decisions.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The investment strategy seeks to invest in companies with sustainable business models, good corporate governance, and low debt, which are trading at depressed levels relative to future earnings power.

Franklin Templeton (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<p>→ The process starts with an initial screen over the 3,000-stock universe. This screen seeks to identify stocks with low long-term debt to equity ratios and one or more of the following low ratios: P/E, P/B and P/CF. From this list around 200 companies remain for further research. Fundamental research includes detailed models, company and industry analysis and meetings with management. Based on their analysis, the analyst calculates the company's fair value based on future earnings, cash flow or asset value potential with a five-year investment horizon and evaluates that value relative to the current stock price. The ideal security for investment is trading at a discount relative to its earnings power and historical range, and in absolute terms (preferably <15x estimated forward earnings).</p> <p>→ The team will discuss all portfolio decisions together, but Mr. Raineri has final say on all buy and sell decisions. The portfolio will hold 75-125 securities with an investment horizon of three to five years.</p>
Performance	Highly Advantageous	<p>→ The strategy has outperformed the index by 289 and 218 basis points over five and seven years, respectively, ranking in the 35th and 33rd percentiles, respectively. Tracking error has ranked just below the median over both periods, which has resulted in an information ratio that ranks near the top third over five and seven years.</p>
Fees	Highly Advantageous	<p>→ CIT estimated fee: 0.53%. Ranked 3 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 4th percentile.</p>

Frontier Capital Management

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	→ Frontier Capital Management is a Boston based firm founded in 1980. The firm is 79% owned by Affiliated Managers Group, while the remaining 21% is owned by 19 employees. FCM had approximately \$10 billion in assets under management across five US Equity products as of March 31, 2023, including \$2.2 billion in the Small Cap Value Equity strategy, which was incepted in January 1999.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Co-PM William Teichner joined Frontier in 1992 as a research analyst. In 1999, Mr. Teichner began co-managing Frontier's Small Cap Value product. He has managed this product since inception. Prior to Frontier, Mr. Teichner worked at the White House on the President's Council of Economic Advisory and at Shearson Lehman Brothers. → Frontier appointed Greg Jiang as co-PM of SCV in July 2018 in anticipation of Co-PM Thomas Duncan's departure. Mr. Jiang started in the investment industry in 2002 and has been with Frontier since 2005. His work experience includes Goldman Sachs and the India Capital Fund. → The entire investment team consists of 17 individuals, including 8 PMs and 11 analysts, though everyone has analyst coverage. This team supports the entire Frontier suite of products.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The Frontier Small Cap Value strategy pursues long-term capital appreciation by employing a Relative Value approach to identify U.S. small-capitalization equity companies. → The team believes that both the level of normalized earnings and the trajectory of those earnings determine a stock's value over time. In many cases, Frontier's investments are under-earning their long-term potential at the outset (though they avoid companies with negative earnings).

Frontier Capital Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The Frontier Small Cap Value strategy uses the companies in the Russell 2000 Value Index as the primary universe for purchase candidates. New ideas are identified through management meetings, field research, and industry conferences. → Due diligence includes calls or meetings with management teams to assess the company’s long-term earnings potential and constructing earnings models to assess earnings potential relative to current price. The team leverages some external research for industry insights and to gain an idea around what the consensus is. The analyst then constructs a research report that is presented to the broader team. The PMs execute investment decisions. → Frontier Small Cap Value portfolios generally hold 70-100 stocks, constructed on a bottom-up basis. Total annual turnover has averaged 25%, while name turnover has averaged 16%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 350 and 245 basis points over five and seven years, respectively, ranking in the 28th and 31st percentiles, respectively. Tracking error has been in the bottom third, which has resulted in an information ratio that ranks around the top quintile over five years and top quartile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 1.00%. Ranked 29 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 65th percentile

Hotchkis and Wiley Capital Management, LLC

Strategy:
Small Cap Diversified Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Hotchkis and Wiley (H&W) was founded in 1980 by John Hotchkis and George Wiley. The firm is headquartered in Los Angeles, CA and has additional offices in Corona Del Mar, CA and London. The firm is 57% owned by current and former employees, 41% owned by Stephens-H&W LLC, which acts as a passive investor, and 2% owned by other outside investors. → As of March 31, 2023, firm AUM was \$28.8 billion. The Small Cap Diversified Value strategy was inceptioned in July 2005 and had \$2.5 billion in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → Judd Peters and Ryan Thomes manage the Small Cap Diversified strategy. Mr. Peters started in the industry in 1997 and joined H&W in 1999. In addition to the Small Cap Diversified strategy, he is PM on Large Cap Fundamental Value, Large Cap Diversified Value, and International Small Cap Diversified Value. He earned his BA in Mathematics and BS in Biochemistry from the University of California, San Diego and is CFA Charterholder. Mr. Thomes started in the industry in 2002 and joined the firm in 2008. He also manages the International Small Cap Diversified Value strategy alongside Mr. Peters. Mr. Thomes earned his BS in Entrepreneurial Management and Finance from the University of Minnesota. → The Co-PMs are supported by the firm’s central research team. The central research team includes 25 research analysts and six members of the Research Associate program. The centralized research team is organized by industry coverage and supports all strategies at the firm.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → H&W seeks to invest in companies where they believe the present value of their future cash flows exceeds the market prices. They believe these opportunities emerge when a company is experiencing a period of temporarily depressed margins or return on capital and due to the short horizon of the market. They believe they can exploit these opportunities using their proprietary models and fundamental research.

Hotchkis and Wiley Capital Management, LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Not Advantageous	<ul style="list-style-type: none"> → The process starts with a valuation screen on approximately 3,000 stocks in the investable universe based on market capitalization between \$100 million and \$5 billion. The valuation model compares the stock's price to its normal economic earning power. The model derives normal economic earnings power by normalizing margins and returns on capital. From this initial screen, 600-700 candidates emerge for analyst review. → The industry analyst reviews the valuation model output and completes further fundamental due diligence on companies. The analyst will determine the risk/reward profile for each company they research, which is used to establish weights in the portfolio. Portfolio Managers are responsible for all final decisions. → The portfolio will hold 350-400 securities with a two-year investment horizon. Annual average turnover is between 50-70%. The PMs weight the 100 highest conviction stocks at 0.4%, the next 100 stocks at 0.3%, the next 100 stocks at 0.2% and the remaining 50-100 stocks at 0.1%. Sectors are limited to 35% and industries are limited to 15%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 257 and 329 basis points over five and seven years, respectively, ranking in the 42nd and 20th percentiles, respectively. Tracking error has near the bottom third over both periods, which has resulted in an information ratio that ranks near the top third over five years and top decile over seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Separate Account estimated fee: 0.55%. Ranked 4 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 4th percentile.

Invesco, Ltd

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Invesco was founded in 1935 and is headquartered in Atlanta, GA. The firm has over 8,000 employees spread across global offices. Invesco is a publicly traded firm that has equity, fixed income, multi-asset, and real estate offerings. → As of March 31, 2023, firm AUM was \$1.5 trillion. Small Cap Value was inceptioned in July 2010 and had \$2.6 billion in AUM. The Small Cap Value team also manages Invesco Value Opportunities and Invesco VI American Value (both Mid Cap Value strategies), which had a combined AUM of roughly \$3.5 billion, for a total of \$6.1 billion team assets.
Team	Advantageous	<ul style="list-style-type: none"> → Jonathan Edwards is the Lead PM for the Small Cap Value strategy. He is supported by two PMs, Jonathan Mueller and Ricardo Sutton. Mr. Edwards started in the industry in 1993 and joined the firm in 2000. He assumed the role of sole lead PM in 2018 after the previous PM retired. He earned his BA from Texas A&M University and his MBA from University of Texas. Mr. Mueller started in the industry in 2001 and has spent his entire career at Invesco. He earned his BBA from Texas Christian University and his MBA from University of Texas. Mr. Ricardo started in the industry in 2002 and joined the firm in 2009. He earned his BA from Rice University and his MBA from the University of Pennsylvania. All PMs are CFA Charterholders. → Senior Analysts Jacob Doyle and David Wang support the PMs. Aside from Mr. Edwards, who is a generalist, all team members have sector coverage.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes that a company's intrinsic value is based on the future cash flows generated by the business. They believe investor overreaction to negative news along with the volatility of market prices causes stocks to become mispriced. They seek to purchase these companies when they are trading at a significant discount to the team's estimate of intrinsic value.

Invesco, Ltd (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The strategy’s investable universe includes US stocks with market capitalizations within the range of the Russell 2000 Index. They maintain a proprietary database of intrinsic value estimates for companies. These estimates are based on their calculations of free cash flow, incremental return on invested capital, growth, and capital structure. With these estimates, they rank stocks based on appreciation potential across the universe. → Purchasing a stock requires a minimum of 50% upside potential from current price to their estimate of intrinsic value estimate over a two-to-three-year horizon. Companies that do not meet that threshold are further researched. This fundamental research includes DCF models with 10-year projections, normalized earnings power analysis, competitive analysis, management meetings, and financial statement analysis. Mr. Edwards makes all final portfolio decisions. → The portfolio holds 60-100 securities with a two-to-three-year investment horizon. The annual average turnover has been between 30-50%. Sectors and individual positions do not have size limits, but industries are limited to 10% of portfolio weighting.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 647 and 519 basis points over five and seven years, respectively, ranking in the 6th and 7th percentiles, respectively. Tracking error has been high, ranking in the top decile over both periods, which has resulted in an information ratio that ranks in the top quintile over five and seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → Mutual Fund estimated fee: 0.71%. Ranked 10 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 6th percentile.

Kennedy Capital Management LLC

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Kennedy Capital was founded in 1980 by Gerald Kennedy and Dick Sinise. The firm manages domestic equity strategies, primarily in the micro, small and mid cap spaces. The firm is 65% employee-owned by 32 of 46 KCM employees and 35% owned by Azimut Group, a publicly-traded asset manager in Milan, as of February 2023. KCM hopes Azimut will help with distribution. → As of March 31, 2023, Kennedy had \$3.6 billion in AUM. The Small Cap Value strategy, which was inceptioned in January 2004, had \$709 million in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → Frank Latuda and McAfee Burke are the PMs on the strategy. Mr. Latuda has been PM on SCV since October 2000. Mr. Burke was promoted to Assistant PM in January 2021 and to PM in January 2022. Prior to Mr. Burke’s promotion, Gary Kauppila was Assistant PM on the SCV strategy. Mr. Kauppila now focuses his time as PM on the Mid Cap Value strategy and Assistant PM on the SMID Value strategy. → The PMs are supported by a centralized research team of 11 sector specialist analysts, two generalist research analysts and two research associates who are led by a Director of Research. Most of the team supports all nine domestic equity strategies.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team focuses on cash flow return on investment (“CFROI”) and reinvestment opportunities as the primary drivers of value creation. They seek to invest in companies where the current market prices reflects expectations for returns and reinvestment rates that are below the team’s fundamental outlook for the business.

Kennedy Capital Management LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → The primary universe are those companies that have market caps in the range of the Russell 2000 Value Index. The team performs daily screens to find companies with attractive fundamentals and low relative valuations. These screens focus on businesses with increasing or stable CFROI above the company’s cost of capital, ROI, ROE, growth of asset base and evidence that management is reinvesting cash flow or above historical rates of return. These companies must also be attractively valued. → The research works includes studying filings, annual reports, sell-side research, and news releases. The analyst builds a financial model. Meeting with management is generally part of the process, and the analyst will sometimes go onsite to meet with management. Valuation analysis is rooted in discount cash flow analysis. The team does not attempt to calculate an exact prices target, but instead starts with the market price of the security. Based on current share price, they impute what level of future returns on capital and reinvestment rate would be needed to generate a stream of cash flow, that if discounted back, would equal today’s market value for the company. → After completing analysis, the analyst presents the idea to the PMs, who make the decision on whether to purchase the stock. → The portfolio will hold 100-125 securities. The annual average turnover has averaged around 35-40%. The largest allowable weighting for a single holding is 5%, but positions generally do not exceed 3%. Sector weightings are the result of bottom-up research, but typically do not deviate from the benchmark by more than 10%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 270 and 211 basis points over five and seven years, respectively, ranking in the 38th and 36th percentiles, respectively. Tracking error has been bottom quintile, resulting in top quartile IR over five years and top quintile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Mutual fund fee: 0.89%. Ranked 25 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 77th percentile.

Leeward Investments LLC

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Highly Advantageous	<ul style="list-style-type: none"> → Leeward Investments was founded in 2022 as a spin-out from LMCG. The Value team at LMCG announced in November 2021 their intentions to spin out. The transaction was completed in the first quarter of 2022. Leeward is a 100% employee-owned investment firm based in Boston, MA. → As of March 31, 2023, Leeward managed \$2.9 billion in AUM, including \$1.5 billion in Small Cap Value.
Team	Advantageous	<ul style="list-style-type: none"> → The strategy is managed by a team led by portfolio manager Todd Vingers. Mr. Vingers joined LMCG in 2002, and he has managed Small Cap Value since its 2002 inception. Prior to joining LMCG, he was senior PM for American Century Investments from 1994-2002. Jay Willadsen has co-managed the Small Cap strategy since 2022. He was previously an analyst on the team dating back to March 2003. → The broader Value team comprises 5 investors, two PMs and three analysts. While team members are technically generalists, they gravitate towards sectors. The team started in the industry between 1996 and 2003. The Leeward investment team has experienced no changes in the transition from LMCG.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team seeks to invest in high quality, though temporarily out of favor, small cap stocks. They focus on companies with higher returns on capital, free cash flow, and strong balance sheets. Leeward seeks out companies with an intellectual property and/or cost edge that operate in industries with high barriers to entry. They also look for market leaders, which is how they define "quality". Mr. Vingers's investment horizon is three to four years.

Leeward Investments LLC (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The universe comprises companies within the Russell 2000 Value market cap range that meet valuation criteria, notably being in the cheaper one-third of at least two of five valuation metrics. Ideas can also come from various sources including previously owned companies, companies the team monitors that face temporary setbacks, and companies recently downgraded by the sell side. They seek out companies with a 3:1 upside/downside profile. → Due diligence includes studying a company's valuation history relative to peers and the market using normalized earnings. The goal is to determine if the issues affecting the company are transitory or secular. The team then assigns a quality score, which incorporates margins, earnings, balance sheet strength and sentiment. The team then engages in fundamental underwriting of the business, including a review of the competitive positioning and financial history. They meet with management at this stage. Potential investments are vetted by the broader team. Mr. Vingers makes final investment decisions. → The portfolio is diversified to control risk. The portfolio will own 80 - 115 securities. Position sizes are limited to a maximum of 3%.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 311 and 136 basis points over five and seven years, respectively, ranking in the 32nd and 52nd percentiles, respectively. Tracking error has been in the bottom quartile, which has resulted in an information ratio that ranks in the 21st percentile over five years and 43rd percentile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.85%. Ranked 21 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 28th percentile

LSV Asset Management

Strategy:
Small Cap Value Equity (US)

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → LSV was founded in 1994 as a quantitative equity investment firm. The firm is 61% owned by its employees. The remaining 39% is owned by SEI. SEI also provides human resources and back-office support to LSV. Firm founder, Josef Lakonishok, the firm’s CEO and CIO, has a 25% stake in the firm. → LSV had approximately \$92 billion in assets under management as of March 31, 2023, including \$3.2 billion in the Small Cap Value Equity strategy, which was incepted in February 1997.
Team	Highly Advantageous	<ul style="list-style-type: none"> → CIO, Josef Lakonishok, leads the investment team. He is supported by a team of twelve other investors, some of whom are supporting Portfolio Managers, some of whom are Quantitative Analysts. This team manages all of LSV’s strategies and averages over 20 years of experience. Member of the team and Director of Research, Bhaskaran Swaminathan, transitioned to Academic Advisor in the fourth quarter of 2022.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The fundamental premise on which LSV's investment philosophy is based is that superior long-term results can be achieved by systematically exploiting the judgmental biases and behavioral weaknesses that influence the decisions of many investors.

LSV Asset Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The firm follows a quantitative investment process. There are three main components of the LSV model: Value Factors (cheap valuation), Long-Term Performance (contrarian, negative performance over the past five years), and Momentum Factors (signs of recent improvement). The goal is to find companies that are statistically cheap (value factors), with poor long-term performance (contrarian), but also that exhibit recent signs of improvement (momentum). → The team begins with a screen of approximately 9,000 equity securities for market capitalization \$100 million and \$4 billion and reasonable liquidity, which results in an investable universe of roughly 1,700 names. After this list is ranked on an expected return basis by the team’s model using the factors listed above, the team focuses on the top 15% ranked companies, resulting in about 250 securities. These stocks are optimized for risk control purposes; the optimization is constrained relative to the benchmark by industry, capitalization, and company to enforce diversification. → The portfolio typically holds 150-170 securities. Turnover typically averages 25% annually
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 102 and 13 basis points over five and seven years, respectively, ranking in the 72nd and 79th percentiles, respectively. Tracking error has been in the bottom third, which has resulted in an information ratio that ranks around the bottom quartile over five years and seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.75%. Ranked 13 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 11th percentile.

Mesirow Equity Management

Strategy:
Small Cap Value Equity

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Norman Mesirow founded the firm in 1937. Mesirow provides global investment management (FI, RE, currency and equity), capital markets and investment banking, and advisory services. → As of June 30, 2023, 283 employees owned 96% of Mesirow's stock. Non-employee individuals held the remaining 4%. → Mesirow's Equity Management (MEM), which consists of four small and SMID cap value products, had AUM of \$951 million as of March 31, 2023. Small Cap Value strategy assets were \$737 million at 3/31/2023, down from a peak of \$1.7 billion at the end of 2015 right before the acquisition. Small Cap Value was inceptioned in July 1994.
Team	Advantageous	<ul style="list-style-type: none"> → Mesirow entered the equity business by acquiring Fiduciary Management Associates (FMA), a value manager, in April of 2016. The purchase price and terms of the deal were not disclosed. FMA was majority owned by Kathryn Vorisek. Other FMA employees owned the rest of the firm. → Ms. Vorisek, Leo Harmon, and Andrew Hadland are the co-CIOs and PMs on the Mesirow Small Cap Value strategy. All three are also analysts. In the first quarter of 2023 two analysts, John Nelson and Eric Jacobsohn were promoted to PM. This promotion was a recognition of their hard work and does not include decision-making authority. Three sector analysts who started in the industry between 1999 and 2016 support the PMs.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → MEM characterizes their investment style as relative value. The investment team believes that earnings and cash flow growth are the main drivers of value creation for companies over time. MEM also believes the key to generating consistent investment returns is the selection of investment opportunities that have attractive valuations and identifiable catalysts that are expected to generate accelerating earnings and cash flow growth.

Mesirow Equity Management(continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → The investment process seeks to identify companies with attractive valuations and catalysts that will drive an inflection in earnings and cash flow growth over an 18 to 24 month timeframe. MEM prefers higher quality companies that have healthy balance sheets, sound business models, and management teams that have demonstrated an ability to add value. → The analysts in each sector use screens to generate new ideas. They perform fundamental due diligence on these companies. This work is combined with a macroeconomic evaluation that identifies broad themes that are incorporated into security selection. The PMs make the final investment decisions. The portfolio consists of 70 to 90 stocks. Turnover approximates 90% to 125%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 449 and 255 basis points over five and seven years, respectively, ranking in the 17th and 28th percentiles, respectively. Tracking error has been in the bottom quartile over five years and bottom third over seven years, which has resulted in an information ratio that ranks in the 4th percentile over five years and 18th percentile over seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.68%. Ranked 7 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 8th percentile.

Neuberger Berman Group LLC

Strategy:
Small Cap Intrinsic Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Neuberger Berman was founded in 1939 by Roy Neuberger and Robert Berman. The firm is headquartered in New York City and has offices across 26 countries. The firm is 100% employee owned across 700 employees. → As of March 31, 2023, firm AUM was \$436.4 billion. Small Cap Intrinsic Value (SCIV), which was incepted in July 1997, had \$3.7 billion in AUM. The Small Cap Intrinsic Value team also manages the Mid Cap Intrinsic Value (MCIV) strategy, which had \$176 million in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → The SCIV team is lead by Benjamin Nahum. Mr. Nahum launched the strategy while he was at David J. Greene and Company (DJG). Mr. Nahum joined Neuberger when it acquired DJG in 2008. He is the Portfolio Manager for SCIV and Co-PM on MCIV. Prior to the acquisition, Mr. Nahum was an Executive VP and Principal at DJG and a member of the firm’s investment committee. He earned his BA from Clark University and his JD from Brooklyn Law School. → Mr. Nahum is supported by four dedicated research analysts and one research associate. The team also utilizes the firm’s ESG team, which is a shared resource. Mr. Nahum is a generalist while the remaining team members are sector specialists.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team follows a contrarian investment approach, looking for out of favor companies with depressed valuations, but that also operate in areas of the market with long secular growth opportunities. Over the long-term, they believe that earnings, assets, and cash flow drive shareholder wealth.

Neuberger Berman Group LLC(continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The process begins with screening the market for underperforming stocks and industries. The team uses FactSet to screen for underperforming stocks over 12 and 36 month windows. They then try to ascertain the drivers of the underperformance and whether those drivers are industry-wide or company specific. The team prefers company specific catalysts. Ideas are then bucketed into one or more of three categories: complexity, cyclical and interrupted growth. → The valuation methods used are catered to individual companies/industries, but can include discounted cash flow models, price/sales, price/cash flow, comparable companies, and M&A. They are looking for a 30% discount to intrinsic value. Mr. Nahum will review the valuation and if the idea warrants further research, they will meet with the management team. If NB can get comfortable management has a plan, if there is an alignment in terms of equity ownership and if there is a large enough gap in price/value, Mr. Nahum will start to build a position. They are generally buying when the price/value gap widens. → The resulting portfolio typically holds 70-100 securities, and the team has a 3-5-year investment horizon. Annual turnover averaged 19% over the last five years. Maximum position sizing for an individual security is limited to 5%, with no limits to sector or industry weights.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 492 and 338 basis points over five and seven years, respectively, ranking in the top quintile over both periods. Tracking error has been above the median, ranking 63rd and 71st which has resulted in an information ratio that ranks in the top quintile over five years and near the top quartile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 1.00%. Ranked 30 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 72nd percentile.

NewSouth Capital Management, Inc.

Strategy:
NSCM Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Highly Advantageous	<ul style="list-style-type: none"> → NewSouth Capital Management (NSCM) was founded in 1985 by Steve Morrow, Trow Gillespie, and Jim Thomas. The firm is based in Memphis, TN and is 87% employee owned, with the remaining 13% owned by two outside passive investors. → As of March 31, 2023, NSCM has \$2.3 billion in AUM. The firm offers four US equity products. NSCM Small Cap Value was incepted in June 1985 and had \$514 million in AUM as of March.
Team	Advantageous	<ul style="list-style-type: none"> → The firm has one investment team that manages all strategies. The team is led by Co-CIOs Steve Morrow and Alec McLean. Mr. McLean has been with NSCM since 1999. Messrs. Morrow and McLean are supported by Andy Rutlin, who joined in 2012, Mike Bailey, who joined in 2014, and Paul Shifflet, who joined in 2021. → Everyone on the team is a generalist and is responsible for generating ideas and monitoring investments. Investment decisions are made on a unanimous basis by the team.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → NSCM's investment style is best characterized as core with a value bias. The team looks for businesses priced at a discount to their estimate of intrinsic value. Intrinsic value is determined by the earnings and cash flows of a business and is calculated in multiple ways depending on the industry. They want intrinsic value to grow at an above average rate. A margin of safety is an important consideration when making an investment.

NewSouth Capital Management, Inc. (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The team sources ideas through many different channels including screens, conferences, and through the research process. The portfolio focuses on companies with a market cap between \$500 million and \$3 billion. Once an idea is generated, two analysts will complete fundamental analysis on the company. Fundamental analysis includes reading SEC filings, reviewing management’s track record, performing industry competitive analysis, and oftentimes meeting with management. → The idea will then be presented to the full research team for inclusion in the portfolio. The team will unanimously vote on whether the company should be purchased, put on the watch list, or rejected. Portfolio companies fit into one of three buckets: Deep discount (20% of portfolio), Spinoffs, Restructurings and Turnarounds (20%), and Discounted Franchise Businesses (60%). The team seeks to purchase companies at a 35% to 50% discount to its estimate of intrinsic value. → The investment horizon is 3-5 years and annual average turnover is around 20%. The portfolio holds 25-35 securities with an individual stock limit weighting of 10%, industry limit of 25% weighting, and sector limit of 35% weighting.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 217 and underperformed by -13 basis points over five and seven years, respectively, ranking in the 51st and 82nd percentiles, respectively. Tracking error has been near the top quartile, which has resulted in an information ratio that ranks in the 60th and 82nd percentiles over five years and seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → Collective Investment Trust estimated fee: 0.65%. Ranked 6 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 10th percentile.

Newton Investment Management

Strategy:
Newton US Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Newton Investment Management (NIM) was founded in 1978 and became a part of the BNY Mellon group in 1998. NIM is headquartered in London, UK and has offices worldwide. The firm is a wholly owned, indirect subsidiary of BNY Mellon. → As of March 31, 2023, NIM has \$103 billion in AUM. The US Small Cap Value strategy was inceptioned in February 1999 and had \$2.1 billion in AUM. The Small Cap Value team also manages five other small/mid cap value strategies, which total roughly \$2.5 billion, for a total team AUM of \$4.6 billion
Team	Advantageous	<ul style="list-style-type: none"> → Joseph Corrado is the Lead Portfolio Manager for the US Small Cap Value strategy. He has worked on the strategy since its inception in 1999. Mr. Corrado also manages other small and mid-cap strategies at the firm. He has been in the industry since 1977 and joined NIM in 2021 following the integration of Mellon Investment Corporation’s equity capabilities into NIM. He earned his BS in Finance from New York University and is a CFA Charterholder. Andrew Leger supports Mr. Corrado as a Senior PM on the strategy. Mr. Leger started in the industry in 1998, joined the BNY Mellon group of companies in 2014, and joined Newton upon the integration in 2021, alongside Mr. Corrado. Mr. Leger has a BA in Economics and Communication from Wake Forest University. → Messrs. Corrado and Leger are supported by the firm’s centralized research team. The global research group is comprised of 25 fundamental equity research analysts. Mr. Corrado makes all final investment decisions.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team seeks to exploit the mispricings of companies that they believe have been unfairly devalued by the market. They believe these mispricings occur because of negative sentiment for an industry due to adverse business conditions. The team seeks to invest in companies that trade at a discount on an absolute and peer-relative basis with solid fundamentals and catalysts for change.

Newton Investment Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The initial investable universe includes securities within the Russell 2000 Value index market-cap range. The universe is screened via a proprietary screening tool. The tool screens on factors that provide clarity around items such as credit cycle, macro impacts, and secular trends, along with measures of valuation, earnings, balance sheet quality, cash flow, and capital and debt. → Analysts then complete fundamental research on companies that pass through the screens. This research includes examining a company’s fundamentals, valuation, and catalysts for change along with meeting with management teams. Each analyst also integrates a fundamental ESG assessment into his/her research. → The whole team comes together weekly to discuss ideas and research for the portfolio. Mr. Corrado has final decision-making authority for the portfolio. → The portfolio holds 100-150 securities with a 12–18-month investment horizon. The annual average turnover has been 50-90%. Individual positions are limited to 5% of the total portfolio. Sector exposure is typically no more than 2x the index weight, with a maximum overweight of 10%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 300 and 207 basis points over five and seven years, respectively, ranking in the 34th and 37th percentiles, respectively. Tracking error has been low, ranking in the bottom decile over both periods, which has resulted in an information ratio that ranks in the top decile over five years and top quintile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate Account estimated fee: 1.00%. Ranked 31 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 65th percentile.

Peregrine Capital Management

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Highly Advantageous	<ul style="list-style-type: none"> → Peregrine is a 100% current and former employee-owned public equity investment boutique founded in 1984 and based in Minneapolis. → The firm focuses on domestic equity, offering both value and growth strategies across the capitalization spectrum. As of March 31, 2023, Peregrine managed \$4.7 billion in assets. The Small Cap Value strategy, incepted in January 1996, had \$1.3 billion in AUM.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Jason Ballsrud, Tasso Coin, and Doug Pugh are PM/analysts and solely responsible for the Small Cap Value strategy. This team has been in place since 1997. Each team member focuses on specific sectors. → Mr. Ballsrud has spent his entire career at Peregrine, while Messrs. Coin and Pugh have spent the lion’s share of their careers at the firm.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes that assets, earnings, and cash flow drive a company’s valuation over the long-term. They strive to purchase inexpensive stocks with improving fundamentals that the market is underestimating. → The team follows a sector relative value approach, focusing on the least expensive 10-15% of valued names in each sector. → The team looks for one or more of its proprietary Value Buy criteria: resolvable short-term problem, catalyst for change, unrecognized assets, fundamental undervaluation, and takeover potential.

Peregrine Capital Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → The process starts with a custom universe of 1,900 domestic stocks with market capitalizations between \$200 million and \$4 billion. The team employs a proprietary valuation tool using a combination of 60 different fundamental and operational factors dating back to 1970 to screen out the least expensive stocks in each sector. This process results in a candidate list of roughly 175 names. → Meeting with management is the cornerstone of the due diligence process. The team conducts 200-300 meetings with senior management teams annually. These meetings include customers, competitors and suppliers of existing holdings. → The portfolio is diversified across 90-110 stocks with a single position maximum of 3.5%. Typical annual turnover is 50-80%. The team uses FactSet to monitor positions, liquidity, and attribution in real-time. They also employ Bloomberg Risk Analytics to understand exposures.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 41 and 95 basis points over five and seven years, respectively, ranking in the 81st and 62nd percentiles, respectively. Tracking error has been in the bottom quintile, which has resulted in an information ratio that ranks in the 79th percentile over five years and 56th percentile over seven years.
Fees	Highly Advantageous	<ul style="list-style-type: none"> → CIT fee: 0.70%. Ranked 9 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking: 20th percentile.

Pacific Investment Management Company

Strategy:
PIMCO RAE US Small

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Pacific Investment Management Company (PIMCO) was founded in 1971 in Newport Beach, CA. PIMCO is a majority owned subsidiary of Allianz Asset Management, which is a subsidiary of Allianz SE. → As of March 31, 2023, PIMCO had \$1.8 trillion in AUM. PIMCO RAE was incepted in September 2005 and had \$721 million in AUM. From September 2005 to June 2015, the strategy was managed in a private vehicle. In June 2015 the strategy transitioned to PIMCO and was converted to a mutual fund. PIMCO RAE is sub-advised by Research Affiliates (RA), which is a privately owned quantitative investment firm founded by Rob Arnott in 2002.
Team	Advantageous	<ul style="list-style-type: none"> → Rob Arnott and Christopher Brightman manage all PIMCO RAE portfolios. Mr. Arnott has been in the industry since 1977 and founded Research Affiliates in 2002. Research Affiliates is an asset management firm that focuses on multi-asset, active equity, and alternative indexation solutions. Mr. Arnott earned his BS in Economics, Applied Mathematics and Computer Science from the University of California, Santa Barbara. Mr. Arnott has managed the strategy since its inception in 2005. Mr. Brightman has been in the industry since 1992 and joined RA in 2010. Mr. Brightman has been a co-PM on the RAE strategies since joining RA. He is also CEO and CIO at RA. He earned his BS in Finance from Virginia Tech and his MBA from Loyola University. He is a CFA Charterholder. → Messrs. Arnott and Brightman are supported by PIMCO and RA’s research team that includes over 70 analysts that focus on equity research, implementation research, investment systems, and portfolio construction. Messrs. Arnott and Brightman make all decisions for the RAE portfolios.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The RAE investment philosophy is built on the premise that stocks ultimately mean revert to their true fair value over time. However, in the short term a stock’s price may or may not reflect the true economic value of the underlying company. The RAE strategy aims to capitalize on such scenarios by capturing the reversion of equity prices towards their fair values over time.

Pacific Investment Management Company (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<p>→ The PIMCO RAE US Small strategy is a quantitative, model-driven portfolio. Portfolio construction starts by assigning a RAE score to each eligible company, which is a composite of value, quality, and momentum signals designed by RA. Once stocks are selected for the portfolio based on the RAE score, each holding’s weight is a function of the strength of that score and the company’s fundamental size, which is not market cap, but based on fundamental measures such as cash flow, dividends and book value. Companies with the strongest RAE score and the largest fundamental size will get the highest weights in the portfolio. RAE employs a trading strategy that spreads trading of the portfolio across all four quarters of the year, reducing market impact, mitigating trading risk, lowering trading costs and turnover, and increasing capacity.</p> <p>→ The portfolio typically holds 200-300 securities with an investment horizon of two to three years. The annual average turnover is 40-60%. Individual positions are limited to 5% of the portfolio and no industry can be more than 25% of the portfolio.</p>
Performance	Highly Advantageous	<p>→ The strategy has outperformed the index by 543 and 379 basis points over five and seven years, respectively, ranking in the 9th and 15th percentiles, respectively. Tracking error has ranked just below the median over both periods, which has resulted in an information ratio that ranks in the top decile over five and seven years.</p>
Fees	Highly Advantageous	<p>→ Mutual Fund estimated fee: 0.50%. Ranked 2 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 4th percentile.</p>

Wasatch Global Investors

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Wasatch Global Investors was founded in 1975 by Sam Stewart. The firm is headquartered in Salt Lake City, Utah. Wasatch is 100% employee owned by 49 employees. → As of March 31, 2023, Wasatch had \$23.8 billion in AUM. The Small Cap Value strategy, which was inceptioned in December 1997, had \$2.4 billion in AUM. The US equity research team manages or supports 10 strategies in total, including a variety of small and micro cap offerings across the style spectrum as well as global strategies.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Jim Larkins and Austin Bone manage the Small Cap Value strategy. Mr. Larkins is the Lead PM and has worked on the strategy since its inception. He started his investment career at Wasatch in 1995. Mr. Larkins earned his BA in Economics from Brigham Young University and his MBA from the Marriott School of Management at BYU. Mr. Bone started in the industry in 2013 and joined Wasatch in 2016. He has worked on the strategy since joining the firm and was promoted to PM on the strategy in 2022. He earned a BS in Business Management from the Marriott School of Business at Brigham Young University. → Messrs. Larkins and Bone are supported by the firm’s 15-person US equity research team. All members of the team are generalists. Some members of the team have a PM/analyst role in which they act as an analyst on designated strategies and a PM on others.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The strategy follows a relative value approach, focusing on high quality companies trading below intrinsic value. The strategy typically avoids deep value stocks. They seek to invest primarily in “fallen angels”, which they define as growth stocks that lose favor with investors and become attractively valued. Wasatch believes the market’s short-term bias presents opportunities to purchase high-quality companies at a discount to long-term value. → The team believes that over the long-run, earnings growth and returns on capital drive stock prices.

Wasatch Global Investors (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → Wasatch employs a team-based, bottom-up approach to fundamental analysis to look for individual companies that are high-quality, stable, and trading below historic intrinsic value metrics (P/B, P/S, P/E, etc.). They utilize a combination of quantitative/systematic tools as well as fundamental due diligence to gather fundamental information. The research team systematically screens the universe for high probability targets. They meet weekly to review the results of screens and the existing names in the funnel. The team decides together which new names to begin working on and which team members are assigned to the name. → Using financial databases, the team screens for quality companies trading below 5–7-year intrinsic value. Initial screens typically focus on companies between \$500 million – \$5 billion in market cap at the time of purchase. They utilize a DuPont model which is a standardized, automated two-page report that places all of a company’s historical financial information in a standardized format that highlights areas of importance to their research effort. → Wasatch then engages in bottom-up, fundamental research. They study the company, its competitors, and its industry. The team travels to visit management at their site to verify the quality of the leadership and gain deeper insight into the company’s prospects and risks. They also call competitors, suppliers, and customers to make sure they have a complete picture of the landscape. → The team builds proprietary earnings models to analyze a company’s key growth drivers. The models help shape its projections of a company’s potential for earnings growth and what it believes to be a fair price for the stock. They consider a variety of appropriate valuation metrics (e.g., Price to Earnings, Enterprise Value to EBITDA, Price to Book, etc.) to assess the potential return and the risk/reward trade-off of each stock. When a company has passed all quantitative and qualitative analyses, the analyst will judge whether the company’s stock meets their valuation guideline. If a company meets these criteria, it will be added to the portfolio. Companies that the team deems to be attractive that do not meet its valuation guidelines are added to a watch list. The Portfolio Manager is responsible for buy/sell decisions. → The portfolio will hold 45-65 securities with a 3–5-year investment horizon. The annual average turnover is 30-60%.
Performance	Highly Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 276 and 308 basis points over five and seven years, respectively, ranking in the 37th and 21st percentiles, respectively. Tracking error has ranked just above the median over both periods, which has resulted in an information ratio that ranks in the 41st percentile over five years and 21st percentile over seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate Account estimated fee: 0.85%. Ranked 22 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 28th percentile.

WCM Investment Management

Strategy:
Small Cap Quality Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → WCM is a 75.1% employee-owned firm based in Laguna Beach, CA. The firm is 24.9% owned by Natixis. The team that manages the Small Cap Quality Value strategy is based in Cincinnati, OH. The team that manages this strategy also manages a Mid Cap, SMID Cap, and International Quality Value offering. → As of March 31, 2023, firm AUM was \$77 billion. The Small Cap Quality Value team managed \$1.2 billion of firm AUM across their four strategies. Small Cap Quality Value is the largest strategy managed by the team with \$969.8 million in AUM.
Team	Highly Advantageous	<ul style="list-style-type: none"> → The team is managed by Co-PMs Jon Detter, Patrick McGee, and Anthony Glickhouse. All Co-PMs have managed the strategy since its inception at Opus Capital Management in December 2013. The Co-PMs are supported by two Business Analysts, Connor Carollo and Corey Leung, who have been at WCM since 2018 and 2021, respectively. They had all previously worked together at Opus Capital Management. → Mr. Detter started in the industry in 2001. Prior to joining WCM, he held positions at various firms including Financial Analyst, Valuation Analyst, and Portfolio Manager. Mr. Detter earned his B.S.B.A in Finance from Xavier University. Mr. McGee started in the industry in 2010. Prior to joining WCM, he held positions at various firms including Consultant, Equity Research, and Portfolio Manager. Mr. McGee earned his B.B.A. in Finance and Public Policy from the College of William and Mary, and his MBA from the University of Virginia. Mr. Glickhouse started in the industry in 2006. Prior to joining WCM, Mr. Glickhouse spent time as a Portfolio Administrator and Research Assistant, Investment Specialist and Portfolio Manager, across different firms. Mr. Glickhouse earned his B.S. in Finance from Miami University. All three co-PMs are CFA charterholders. → All investment team members are generalists. The team believes that sector specialties can result in a desire to put an idea into the portfolio even if it is not as optimal as ideas in other sectors the individual does not cover.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes that companies with strong competitive advantages and barriers to entry stand a good chance at long-term outperformance. However, equally important is a business's ability to grow and enhance that advantage over time in part by having a stakeholder friendly management team that has fostered an organizational culture that is aligned with strengthening the competitive advantage. The team looks to invest when these strong businesses have short-term missteps or problems that have resulted in an attractive valuation.

WCM Investment Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → Initial fundamental research involves financial statement analysis, review of transcripts from earnings calls, and understanding the industry and competitive landscape. The core of the process is informed discussions with management, which the research team has before taking a small initial position. The objective of this initial dialogue is to gain a comprehensive understanding of the company’s business model and its competitive position, and how these affect the company’s ability to deliver above average returns to stakeholders. Additionally, it allows the team to evaluate its confidence level in management’s ability to execute and deliver value to stakeholders. After developing this understanding of the business, the team can derive a range of estimates for the company’s intrinsic value. → Whenever possible, the Quality Value team augments these dialogues through an on-site visit with management, typically at the target company’s headquarters or another one of its key locations. This visit allows the team to delve deeper with management, meet and interview additional personnel, and test the consistency of management’s responses through both additional questions and inspection of the facilities. If, after this visit, the thesis remains intact, they will increase the position to a larger weight; if the team detects inconsistencies or other red flags, it will generally sell the position. → The team builds discounted cash flow models to assess valuation. The discounted cash flow model projects out five years. They augment the DCF analysis with looking at where a company’s multiples sit relative to the market, industry and similar businesses. They also will do sum-of-the-parts valuation analysis and an earnings power based model, which assesses downside. The idea of using these varying valuation approaches is to get to a potential range on valuation, not a singular point estimate: “valuation is directional”. → The team concentrates holdings between 25 and 40 companies. The portfolio has certain risk parameters including a maximum sector exposure of 40% absolute or the benchmark’s weight. It also has a maximum position size of 10%. Annual turnover has been 20-30%.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 263 and 254 basis points over five and seven years, respectively, ranking in the 40th and 28th percentiles, respectively. Tracking error has been in the top quintile, which has resulted in an information ratio that ranks in the 55th percentile over five years and 42nd percentile over seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.80%. Ranked 16 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 20th percentile.

Wedge Capital Management L.L.P.

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → WEDGE Capital Management was founded in 1984 in Charlotte, North Carolina. The firm is 100% employee owned across 14 employees. → As of March 31, 2023, WEDGE had \$7.9 billion in AUM across multiple equity and fixed income products. The Small Cap Value strategy had \$343 million in AUM and was incepted in January 1990.
Team	Advantageous	<ul style="list-style-type: none"> → Darrin Witt and Donald Cleven lead the Small Cap Value team as Co-Heads of Small Cap. They are supported by two fundamental analysts and two quantitative analysts. The fundamental analysts support five strategies, including Small Cap Value. The quantitative analysts support all the firm's strategies. The firm's fundamental equity research analysts are generalists and are responsible for fundamental, bottom-up research for traditional equity portfolios and making purchase recommendations to the Investment Policy Committee. The firm's quantitative analysts support all strategies and provide analytical support at the macro-economic, sector, and security level. → Mr. Witt has been at WEDGE Capital since 2004. Prior to joining WEDGE, he was an Equity Research Associate at Smith Barney and Fox-Pitt, Kelton. He earned his Bachelor of Science degree in Commerce with concentrations in Finance and Accounting from the University of Virginia's McIntire School of Commerce. Mr. Cleven has been at WEDGE since 2014. Prior to WEDGE, he was a Portfolio Manager at Lee Munder Capital Group and an Investment Analyst with American Century Investments. He earned his Bachelor of Arts in Economics/Finance from St. Olaf College, his MBA from Indiana University Kelley School of Business, and his JD from Indiana University School of Law. Both Messrs. Witt and Cleven are members of the firm's Investment Policy Committee. → Two analysts have departed the firm and small cap team in the last five years. Stephen Ho, Equity Analyst, departed in April 2022. Jason Boles, General Partner, and Senior Equity Analyst, departed in June 2023.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → WEDGE follows a fundamental, bottom-up approach to investing. WEDGE focuses on high quality companies with strong balance sheets, high returns on invested capital, a defensible competitive advantage and superior management teams. They invest in these types of companies when they fall on bad times that the team perceives as temporary, allowing investment at a discount to intrinsic value.

Wedge Capital Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<ul style="list-style-type: none"> → Universe consists of companies within the small cap Russell and S&P benchmarks. This team use a Fundamental Value model to identify those stocks in universe with greatest potential based on value, quality, capital use, and momentum factors. These categories have following weights: value (40% weighting), quality (20% weighting), capital use (25% weighting), and momentum (15% weighting). The fundamental value model focuses the team on the top four deciles of the universe in terms of overall ranking, with limited exceptions. If the team is having a difficult time finding ideas in a given sector/industry or if the model screens out potentially compelling ideas the team may make exceptions to include companies not in the top four deciles. Often the reasons for the exceptions are valuation related. Additionally, an existing holding may deteriorate to the 7-10th deciles. In this situation, the team may continue holding the stock if it deems appropriate but the Investment Committee must be convinced of the rationale to override the model. → The financial quality model is the second model the team runs. This model is run independently of the fundamental value model and is more defensive in nature, meant to eliminate companies with significant financial risk. It focuses on leverage and liquidity as well as growth and profitability to a lesser extent. It consists of 14 underlying ratios, equally weighted. The fundamental value model is the primary input to the process. As part of fundamental research, the team conducts on-site visits, meets with management teams, conducts industry analysis, and competitive positioning analysis. → As Mr. Cleven and the sponsoring analyst conclude the work on a stock and are getting closer to purchasing, they present the idea to another PM for vetting. The focus of the secondary review is ensuring that the sponsoring analyst is comfortable with the risk he/she is taking. In the rare event of hesitancy on the part of the secondary reviewer, Mr. Cleven has the latitude to include the idea in the portfolio but would likely do so at a lower weighting. → After the secondary review, Mr. Cleven and the sponsoring analyst present the idea to the Investment Committee. The Investment Committee (“IPC”) approves over 90% of the ideas presented given the significant vetting that happens prior to this stage. Even though the idea has been through multiple stages of vetting prior to this presentation, Mr. Cleven and Wedge see value in analysts’ presenting ideas before their peers. Mr. Cleven and his team can do adds/trims/sells without presenting to the IPC. → The portfolio will hold 100-125 securities. Individual position sizes are targeted to be from 0.5-4% of the portfolio and will be held to a maximum of 5%. Sectors are limited to 25% of the portfolio, or the benchmark weighting plus 5%, whichever is greater. The typical holding period is 3-5 years, resulting in an annual turnover rate of 25-30%.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 68 basis points over the trailing five years and underperformed by -59 basis points over seven years, ranking in the 77th and 88th percentiles, respectively. Tracking error has been in the bottom quartile, which has resulted in an information ratio that ranks in the 76th percentile and 89th percentile over five- and seven-year periods, respectively.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.80%. Ranked 17 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 20th percentile.

Westwood Management Corporation

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Westwood Management Corp. was founded in 1983 by Susan Byrne. The firm is headquartered in Dallas, Texas. Westwood Management Corp. is a wholly owned subsidiary of Westwood Holdings Group, which is a publicly traded company. → As of March 31, 2023, Westwood had \$12 billion in AUM. The Small Cap Value strategy, which was incepted in January 2004, had \$2.9 billion in AUM.
Team	Highly Advantageous	<ul style="list-style-type: none"> → Bill Costello, Matt Lockridge, and Fred Rowsey make up the portfolio management team for the Small Cap Value strategy. Mr. Costello is Director of Equity Portfolios and Senior PM. He began his career in the industry in 1992. He earned a BA in Economics from Marietta College and an MBA from Boston University. He has been at Westwood since 2010. Mr. Lockridge is Head of US Value for Westwood. He serves as a Senior PM on the Large Cap Value and Small Cap Value portfolio teams. He started in the industry in 2001 and has been at Westwood since 2010. He earned his BBA in Finance from Southern Methodist University and his MBA from the University of Chicago Booth School of Business. Mr. Rowsey serves as a PM on the strategy. He started in the industry in 2009 and has been at Westwood since 2010. He earned his BA in Economics and a secondary degree in Psychology from Harvard University. → The Co-PMs are supported by a team of nine analysts. Coverage on the team is split by industry. Each analyst on the team is responsible for providing research to other Westwood portfolio strategies as well.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes that over time that company fundamentals drive stock prices, and that short term sentiment causes stocks to become mispriced. They seek to invest at the intersection of quality and value. They employ a bottoms-up, fundamental approach to identify quality companies trading at a discount to what they believe is their intrinsic value. They look for companies with strong balance sheets, free and recurring cash flow, and attractive return on invested capital.

Westwood Management Corporation (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Highly Advantageous	<ul style="list-style-type: none"> → Analysts employ proprietary fundamental research to identify the best ideas within their area of expertise. Each analyst covers the entire market cap spectrum within their assigned industries. Ideas must have limited, quantifiable absolute downside risk to qualify for additional due diligence. Analysts use a variety of measures, such as stress case scenarios, declines in demand, increases in raw material costs, compression of valuation multiples distressed asset values, etc., when quantifying the downside. → Analysts narrow their universe by searching for companies aligned with their philosophy that possess undervalued earnings growth and asymmetric return potential (defined as limited downside paired with materially greater upside potential). Key metrics include improving ROE, declining Debt/Equity, positive cash flow and expanding margins. They conduct fundamental research that includes analysis of financial statements and trends, three-year proprietary projections for all financial statements, meetings with senior management and industry participants, thorough understanding of industry and sector trends, and quantitative valuation analysis. The analyst then formalizes a research report, including a standardized data template and executive summary, that is disseminated to the broader U.S. Value Investment Team. → After conducting analysis on securities within their area of expertise, analysts present their best ideas to a Research Group of colleagues who are industry experts in related sectors. Research Group members evaluate the investment case for each Analyst’s recommendation, challenging assumptions and methodology, to collectively determine if the company under review is appropriate for purchase. This collaboration results in an Approved List of names that has been vetted and voted on by the Research Group. The Approved List provides new ideas and replacement candidates for the Portfolio Team to consider for the strategy. Decisions to include a stock in the portfolio are made by the Portfolio Team, where each member of the team has an equal vote. → The portfolio will hold 50-70 securities. The annual average turnover has averaged around 30-35%. Individual positions are limited to 3% of the portfolio with a 25% maximum sector limit.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 151 and 251 basis points over five and seven years, respectively, ranking in the 63rd and 29th percentiles, respectively. Tracking error has ranked right around the bottom third over both periods, which has resulted in an information ratio that ranks in the 61st percentile over five years and 22nd percentile over seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → CIT estimated fee: 0.75%. Ranked 14 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 26th percentile.

Bailard Inc.

Strategy:
US Small Value

Asset Class:
US Equity

Meketa Ranking:
Not Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<p>→ Bailard was founded in 1969 by Tom Bailard, Larry Biehl, and Ron Kaiser. The firm is headquartered in Foster City, CA. Bailard is wholly owned by BB&K Holdings, Inc. The ownership of BB&K Holdings is concentrated among 52 Bailard employees who control 59% of the firm. The remaining 41% is split between 28 former employees (14%) and 20 outside investors (27%).</p> <p>→ As of March 31, 2023, Bailard AUM was \$5.3 billion. Bailard Small Cap Value, inceptioned in May 2001, had \$88 million in AUM.</p>
Team	Advantageous	<p>→ Tom Mudge, Osman Akgun, and Blaine Townsend co-manage the Small Cap Value strategy. Mr. Mudge started in the industry in 1985 and joined Bailard in 1987. Mr. Mudge also co-manages the MidCap Value and Broad Impact strategies. Mr. Akgun has spent his entire investment career at Bailard, starting in 2012. In addition to this strategy, Mr. Akgun co-manages numerous other strategies at the firm. Mr. Townsend started in the industry in 1991 and joined Bailard in 2016. He was promoted to PM on the Small Cap Value strategy in 2020. Mr. Townsend also serves as Director of Bailard’s Sustainable, Responsible, and Impact Investing Group, in addition to managing the firm’s dedicated ESG strategies.</p> <p>→ Messrs. Akgun and Townsend function as analysts on the team and are supported by two ESG analysts. The team has access to internal sector specialists in technology, healthcare, and real estate. Messrs. Mudge and Akgun are responsible for buy/sell decisions in the portfolio.</p>
Investment Philosophy	Not Advantageous	<p>→ The team believes that stock prices are driven primarily by investors expectations surrounding companies’ expected earnings trajectories. They seek to exploit these mispricings by employing a behavioral finance-based approach. They believe in mean reversion and that buying companies with low expectations and low valuations is more likely to result in those expectations being exceeded.</p>

Bailard Inc. (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Not Advantageous	<ul style="list-style-type: none"> → The portfolio’s investable universe includes over 3,000 small and microcap stocks. This universe is scored and ranked based on the team’s quantifiable success characteristics across 24 economic subsectors. They seek to purchase stocks exhibiting characteristics that place them in the top quintile of their selection model. Due diligence includes reading earnings call transcripts, research reports, and news articles to gather information not included in their models. As a rule, the team does not meet with management teams as they do not believe it gives them any advantage. → Stocks are added to the portfolio as replacements for stocks with deteriorating expected performance characteristics. The portfolio typically holds 300 securities with an annual turnover rate of 200%.
Performance	Not Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 165 and 68 basis points over five and seven years, respectively, ranking in the 60th and 66th percentiles, respectively. Tracking error has been in the bottom decile, which has resulted in an information ratio that ranks 38th over five years and 61st over seven years.
Fees	Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 0.75%. Ranked 15 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 11th percentile.

Great Lakes Advisors, LLC

Strategy:
Small Cap Value

Asset Class:
US Equity

Meketa Ranking:
Not Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Not Advantageous	<ul style="list-style-type: none"> → Great Lakes Advisors (GLA) was founded in 1981 and is headquartered in Chicago, IL. GLA is a wholly-owned subsidiary of Wintrust Financial Corporation. Wintrust is a publicly traded financial services holding company. In April 2023, GLA acquired Rothschild & Co Asset Management US Inc and Rothschild & Co Risk Based Investments. → As of March 31, 2023, firm AUM was \$18 billion. The Small Cap Value strategy was inceptioned in September 1997 and had \$123.5 million in AUM. The Small Cap Value team also managed a SMID Cap Core and Small Cap Core strategy that had \$436.9 million and \$400.6 million in AUM, respectively.
Team	Not Advantageous	<ul style="list-style-type: none"> → Eric Fraser leads the team as Portfolio Manager. Mr. Fraser started in the industry in 2005. He joined GLA in 2023 through the Rothschild acquisition and has managed or co-managed the strategy since 2018. Prior to GLA, Mr. Fraser spent time at BlueCrest Capital Management, Goldman Sachs, and MetLife Investments. Mr. Fraser earned his BA in Economics from Middlebury College. → Mr. Fraser is supported by four equity analysts. The team members are sector specialists. Mr. Fraser makes all investment decisions for the portfolio.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → The team believes in buying and holding companies that are attractively valued. The types of stocks they seek to invest in exhibit two main attributes: discounted valuation relative to peers, and upside to expectations. They view valuation in the context of cash flow generating potential and earnings power. They also seek to invest in companies that can surpass investors' expectations.

Great Lakes Advisors (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Advantageous	<p>→ The strategy will invest in companies in the market capitalization range of the Russell 2000 Value index. The team uses a proprietary ranking tool that is designed to identify stock of companies with attractive relative valuations, improving fundamentals, and quality (consistent) earnings. The team will then conduct fundamental analysis on companies, focusing on potential catalysts for exceeding expectations and/or multiple expansion, assessing valuation, understanding investor sentiment, and analyzing financials. They meet with management when they deem appropriate. Once a stock is fully vetted, the team will discuss and vote on the idea. The team uses proprietary and third-party systems to minimize the influence of factor-based risks.</p> <p>→ The portfolio will hold securities with a 12-18-month investment horizon. This results in an annual average turnover between 40-60%. Individual positions are limited to 300 basis points. Sector exposure is limited to a maximum of 500 basis points over the benchmark. The strategy holds 80 to 100 stocks.</p>
Performance	Not Advantageous	<p>→ The strategy has only outperformed the index by 8 basis points over five years and underperformed the index by -35 basis points over seven years, ranking in the 84th percentile of peers over both periods. Tracking error has been low, ranking in the bottom quintile over both periods, which has resulted in an information ratio that ranks in the 84th and 85th percentiles over five and seven years.</p>
Fees	Not Advantageous	<p>→ Separate Account estimated fee: 0.85%. Ranked 23 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 28th percentile.</p>

Pzena Investment Management, LLC

Strategy:
Pzena Small Cap Focused Value

Asset Class:
US Equity

Meketa Ranking:
Not Advantageous

Evaluation Category	Ranking	Summary Rationale
Organization	Advantageous	<ul style="list-style-type: none"> → Pzena Investment Management was founded in 1995 by Richard Pzena, John Goetz, William Lipsey, and Amelia Jones. The firm is headquartered in New York City and has offices in Melbourne, London, and Dublin. The firm is 78.9% employee owned with the remaining 21.1% owned by outside owners, including former employees. → As of March 31, 2023, Pzena had \$55.2 billion in AUM. The Small Cap Focused Value strategy, which was inceptioned in January 1996, had \$2.1 billion in AUM.
Team	Advantageous	<ul style="list-style-type: none"> → John Flynn, Evan Fox, and Ben Silver manage the Small Cap Focused Value strategy. Mr. Flynn started in the industry in 2000 and has been at Pzena since 2005. He also co-manages numerous other domestic value strategies. Mr. Fox has spent his entire career at Pzena, starting in 2007. He also co-manages Global Small Cap Focused Value and SMID Cap Value. Mr. Silver started in the industry in 1988 and came to Pzena in 2001. In addition to this strategy, he also co-manages numerous other strategies at Pzena. → The team is made up of 26 additional PMs and analysts, all of whom function as analysts across all of Pzena's equity strategies. Analysts are organized by global industry. Analysts typically cover an industry for 3-5 years, at which point they rotate coverage to a different industry.
Investment Philosophy	Advantageous	<ul style="list-style-type: none"> → Pzena follows a classic, deep value approach. They seek to buy good businesses at low prices, focusing on companies that are underperforming their historical demonstrated earnings power (defined as mid-cycle earnings). Pzena believes that this lack of near-term earnings visibility can lead investors to significantly undervalue companies that are experiencing some form of distress, as most investors prefer to wait until a company's current problems are resolved, or to invest in less controversial growth-oriented companies. They are willing to invest early and believe that investing earlier allows them to capture the initial stock price appreciation once earnings eventually recover.

Pzena Investment Management (continued)

Evaluation Category	Ranking	Summary Rationale
Investment Process	Not Advantageous	<ul style="list-style-type: none"> → The process starts with a universe of companies ranked 1001st to 3000th based on market capitalization. The universe is ranked from cheapest to most expensive, based on their estimate of current price-to-normalized earnings as determined by their proprietary screening tool, StockAnalyzer. The cheapest stocks are then assigned to analysts for research. → The analysts will conduct their research which includes building detailed company specific models, speaking with competitors, customers, and suppliers, analyzing company financials, on-site visits, reviewing sell-side “short” reports and independent research reports. After the research is complete, the analyst and PM will meet with company management. → For inclusion in the portfolio, the company must meet Pzena’s five criteria: 1. Low price-to-normal earnings level 2. Current earnings below historic norms 3. Problems are viewed as temporary 4. Management has viable strategy to generate earnings recovery 5. Downside risk analysis indicates a positive skew of outcomes. After an idea is fully vetted, the co-PMs and analyst will agree on a final normal earnings-per-share number. The Co-PMs have joint decision-making authority. → The portfolio typically holds 40-50 securities with an investment horizon of 3-5 years. This results in an average annual turnover rate of 20-40%. Individual positions will be trimmed if they exceed 6% and sector limits are bound to +/-15% of the sector’s weight in the Russell 2000 Value index.
Performance	Advantageous	<ul style="list-style-type: none"> → The strategy has outperformed the index by 272 and 180 basis points over five and seven years, respectively, ranking in the 38th and 40th percentiles, respectively. Tracking error has been in the top quintile, which has resulted in an information ratio that ranks around the median over five years and seven years.
Fees	Not Advantageous	<ul style="list-style-type: none"> → Separate account estimated fee: 1.00%. Ranked 33 out of 33 responding managers (lower rank = less expensive). Approximate Peer Ranking 65th percentile.

Manager Trailing Performance (Gross of Fees)
(As of March 31, 2023)

Manager	1 Year Returns (%)	3 Year Returns (%)	5 Year Returns (%)	7 Year Returns (%)
Ariel Investments	-7.2	23.9	7.0	10.0
Bailard, Inc.	-11.7	25.2	6.2	8.5
Boston Partners	-7.2	24.7	6.0	8.7
Bridgeway Capital	-5.4	41.2	13.8	14.2
Brown Advisory	-3.3	22.3	5.3	8.5
Cambiar Investors	-2.0	23.5	8.4	9.3
Congress Asset Management	-11.1	25.8	6.9	9.4
Cramer Rosenthal McGlynn	-2.2	20.9	4.2	7.7
DePrince, Race, & Zollo	-2.7	29.3	9.5	12.5
Easterly Investment Partners	-3.6	34.9	8.2	9.4
First Pacific Advisors	-4.5	19.1	9.4	8.9
Fisher Investments	-19.9	21.6	8.4	11.3
Franklin Templeton	-4.5	23.3	7.4	10.0
Frontier Capital	-0.7	30.7	8.0	10.3
Great Lakes Advisors	-9.3	23.3	4.6	7.5
Hotckis & Wiley	-5.0	30.3	7.1	11.2
Invesco	-3.4	43.2	11.0	13.1
Kennedy Capital	-6.5	27.3	7.3	10.0
Leeward Investments	-3.4	24.5	7.7	9.2
LSV Asset Management	-4.0	29.2	5.6	8.0

Manager Trailing Performance (Gross of Fees)
(As of March 31, 2023)

Manager	1 Year Returns (%)	3 Year Returns (%)	5 Year Returns (%)	7 Year Returns (%)
Mesirow	-1.3	27.6	9.0	10.4
Neuberger Berman	-12.1	25.9	9.5	11.2
NewSouth Capital	-4.0	21.5	6.7	7.7
Newton	-8.6	23.2	7.5	9.9
Peregrine	-10.8	25.5	4.9	8.8
PIMCO	-8.0	32.6	10.0	11.6
Pzena Investment Management	-0.9	30.8	7.3	9.7
Systematic Financial	-2.6	23.6	6.7	11.1
Vaughan Nelson	0.1	26.5	9.6	10.6
Wasatch Global	-7.0	24.2	7.3	10.9
WCM Investment Management	-0.2	20.5	7.2	10.4
WEDGE Capital	-4.6	22.8	5.2	7.3
Westwood Management	-1.3	21.8	6.1	10.4

Benchmark	1 Year Returns (%)	3 Year Returns (%)	5 Year Returns (%)	10 Year Returns (%)
<i>Russell 2000 Value</i>	<i>-13.0</i>	<i>21.0</i>	<i>4.5</i>	<i>7.9</i>

Proposed Fees

Manager	Investment Vehicle Type	Estimated Effective Fee (%)
Easterly Investment Partners	Separate Account	0.50
PIMCO	Mutual Fund	0.50
Franklin Templeton	CIT	0.53
Hotchkis & Wiley	Separate Account	0.55
Congress Asset Management	Separate Account	0.65
NewSouth Capital Management	CIT	0.65
Mesirow	Separate Account	0.68
DePrince, Race, & Zollo	Separate Account	0.70
Peregrine Capital Management	CIT	0.70
Invesco	Mutual Fund	0.71
Bridgeway Capital	Separate Account	0.75
Cambiar Investors	Separate Account	0.75
LSV Asset Management	Separate Account	0.75
Westwood Management	CIT	0.75
Bailard Inc.	Separate Account	0.75
WCM Investment Management	Separate Account	0.80
WEDGE Capital	Separate Account	0.80
Vaughan Nelson	Separate Account	0.80

Proposed Fees (continued)

Manager	Investment Vehicle Type	Estimated Effective Fee (%)
Cramer Rosenthal McGlynn	Separate Account	0.85
Fisher Investments	Separate Account	0.85
Leeward Investments	Separate Account	0.85
Wasatch Global	Separate Account	0.85
Great Lakes Advisors	Separate Account	0.85
First Pacific Advisors	Mutual Fund	0.89
Kennedy Capital Management	Mutual Fund	0.89
Boston Partners	Separate Account	0.90
Systematic Financial Management	Separate Account	0.90
Ariel Investments	Separate Account	0.92
Frontier Capital Management	Separate Account	1.00
Neuberger Berman	Separate Account	1.00
Newton Investment Management	Separate Account	1.00
Brown Advisory	Separate Account	1.00
Pzena Investment Management	Separate Account	1.00

Summary

- The RFP process resulted in a very robust group of candidates.
- We recommend the Board select two to three finalist managers to interview at an upcoming meeting (ideally in December).

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: *Investment Terminology*, International Foundation of Employee Benefit Plans, 1999.

The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

Appendix

Overview of OCIO and PERAC



**Presentation for City of Quincy Retirement System
November 2023**

What is OCIO?

OCIO stands for Outsourced “Chief Investment Officer”.

Outsourced CIO services are a way of delegating investment management functions to a third-party provider.

It comes down to who has discretion/authority for making investment decisions.

- In a traditional consulting model, a Retirement Board uses an investment advisor.
 - This advisor provides *recommendations*, and the Board makes the *decisions*.
- In a typical OCIO model, the Board outsources some/all of the investment decisions.
 - The OCIO firm makes the investment decisions and informs the Board.
 - One could argue that PRIT represents a unique OCIO model that is available only to Massachusetts public funds.

Other names for OCIO include:

- Delegated authority
- Discretionary services

Non-discretionary vs. discretionary

The main difference is the implementation process.

Non-Discretionary Consulting generally involves:

- Strategic asset allocation advice
- Manager due diligence and searches with recommendations
- Investment Policy development
- Board education

Discretionary (OCIO) Consulting generally involves:

- Strategic and tactical asset allocation decisions
- Manager selection
- Complete coordination of:
 - Transfer execution
 - Legal review and subscription documentation
 - Manager relationships
- Board communication

Why might institutions use an OCIO model?

Some of the potential benefits of outsourced CIO services include:

- Quicker, more streamlined decision-making.
 - Asset allocation adjustments (rebalancing and tactical).
 - Opportunistic investments across public and private markets.
 - Funding and transfer execution.
- Enhanced risk monitoring and management.
- Greater access to investment strategies.
- Lowering investment costs.
- Boards can spend more time focusing on decisions most critical to their organization.

Customized Governance Model

- Outsourcing does not necessarily need to be an “either/or” decision.
- The framework can be customized, and it can evolve over time if objectives or needs change.



PERAC view on the OCIO model

PERAC has given Boards limited permission to use OCIO.

→ A Board must go through the standard procurement process of chapter 32.

PERAC has categorized OCIO services into two types:

→ Proprietary OCIO

- In this structure, the OCIO uses in-house asset managers/vehicles.

→ Full OCIO

- The OCIO uses third-party asset managers/vehicles.

PERAC's recent memo has placed a limitation on the use of full OCIO services.

→ Any full OCIO may not comprise more than 10% of a System's assets.

- This limitation does not apply to proprietary OCIOs.

→ They added other requirements that are likely to dampen enthusiasm for/by OCIOs.