

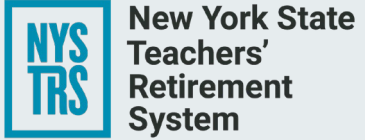


New York State
Teachers' Retirement
System

MWBE 2025

**Investments & Professional
Services Conference**

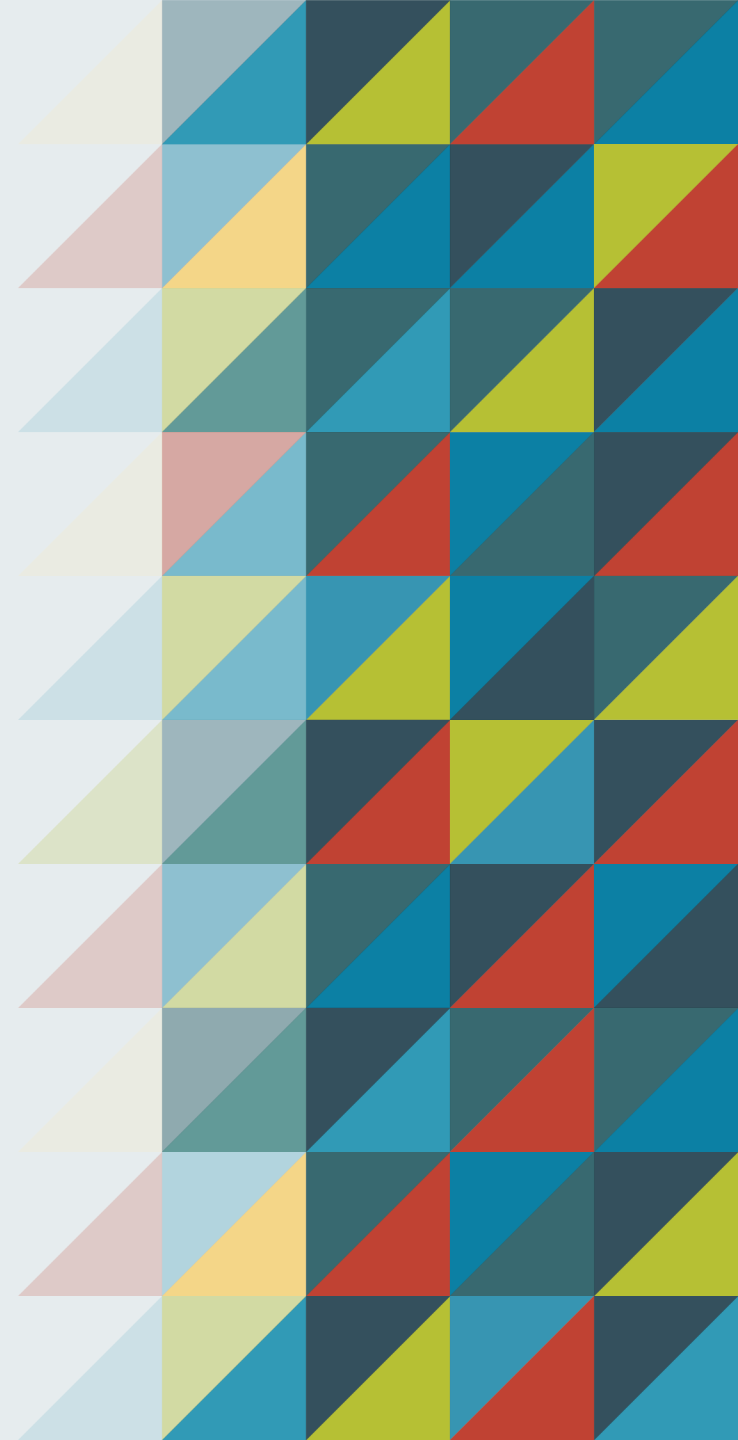
A Seat at the Table



MWBE 2025

**Investments & Professional
Services Conference**

Public Equities



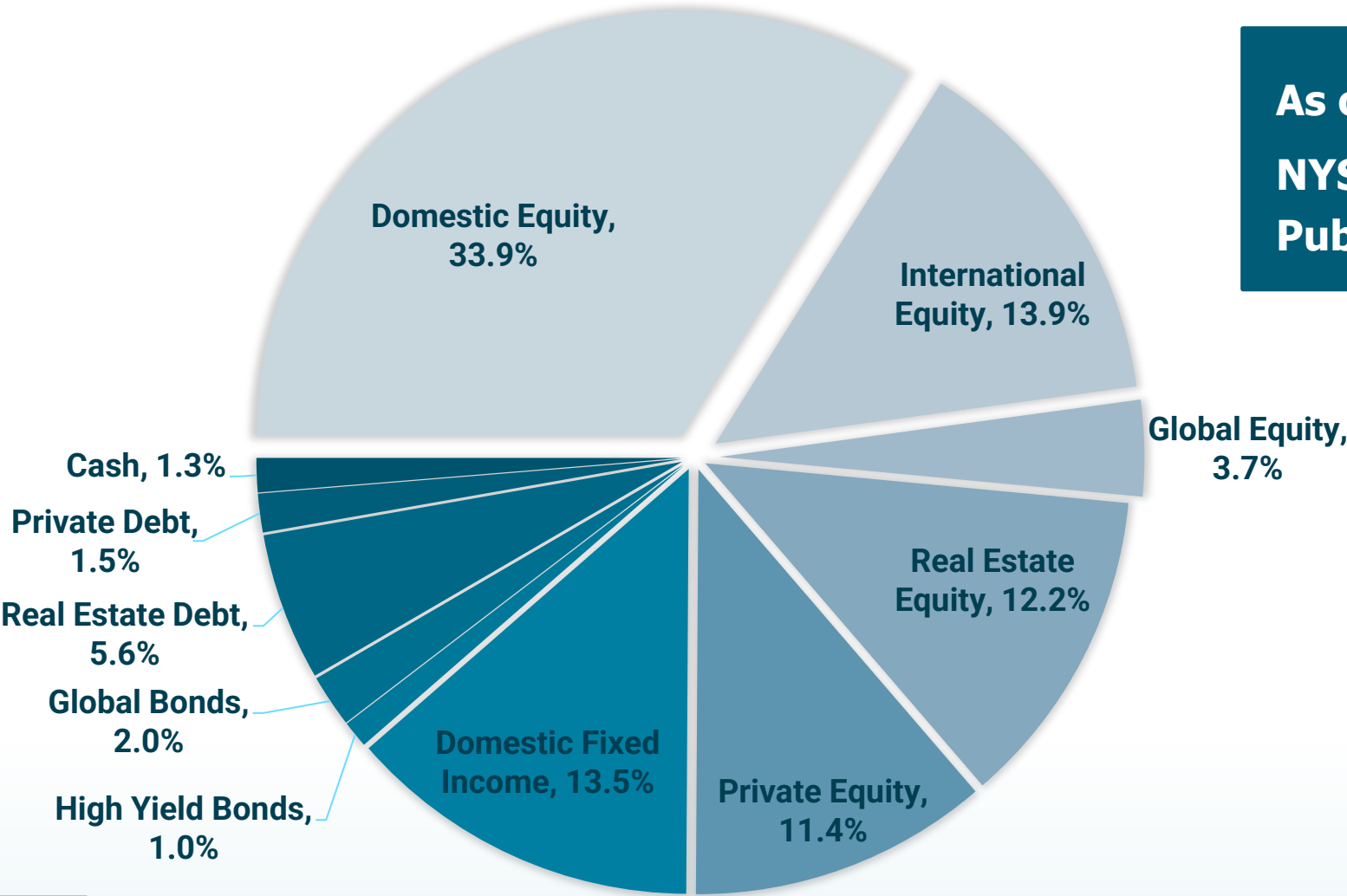
Agenda

- Welcome
- Public Equities Overview
- Broker Selection
- External Manager Selection Process
- Investment Partners
- Networking

Speakers

- **Binoop Unni**, CFA – Deputy Managing Director of Public Equities
New York State Teachers' Retirement System
- **David Tessitore** – Director of Trading, Public Equities
New York State Teachers' Retirement System
- **Nathan Lee**, CFA – Director of External Strategies, Public Equities
New York State Teachers' Retirement System
- **Derek Sam**, CFA – Investment Officer, Public Equities
New York State Teachers' Retirement System
- **Cesar J. Gonzales, Jr.** – Director, Manager Development and Client Portfolio Manager
Xponance
- **Clayton Jue**, CFA – President, CEO, and Founder
Leading Edge Investment Advisors, LLC
- **Lauren Mathias**, CFA – Senior Vice President & DEB Champion
Callan, LLC

NYSTRS Total Portfolio



As of June 2024:
NYSTRS Total Portfolio: \$143.4B
Public Equity Assets: \$75.7B

Organizational Chart – Public Equities

Binoop Unni
Deputy MD

Ute Buff
Admin. Support

Internal Strategies

Trading

External Strategies

Jennifer Wilcox
Director

David Tessitore
Director

Nathan Lee
Director

Christina Christian
Investment Officer

Magdalena Schmitz
Assistant Director

JoAnn Nash
Investment Officer

Daniel Hogan
Investment Officer

Investment Fellowship

Michael Murphy
Investment Officer

Paul Fitzpatrick
Investment Officer

Zaniya Summers
Investment Fellow

Derek Sam
Investment Officer

John Karukulathel
Investment Officer

Total Public Equities Strategic Plan

Public Equities Asset Allocation Targets		
Total Public Equities Target: 52%	Passive 75%	Active 25%
Domestic Public Equities Target: 33% Range: 29 - 37%	Passive 85%	Active 15%
International Equities Target: 15% Range: 11 - 19%	Passive 75%	Active 25%
Global Equities Target: 4% Range: 0 - 8%	100% Active	

Public Equity Portfolio (as of June 30, 2024)

Domestic Equity

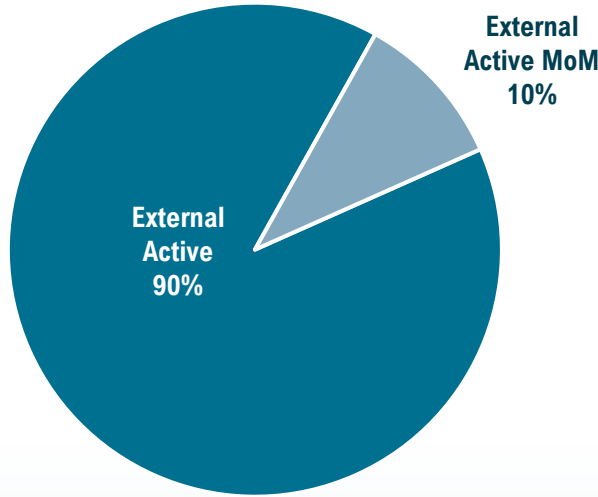
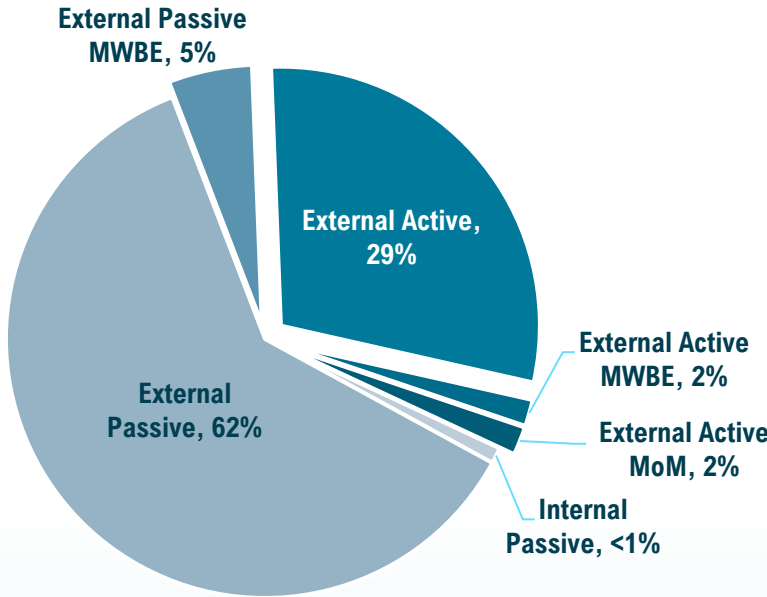
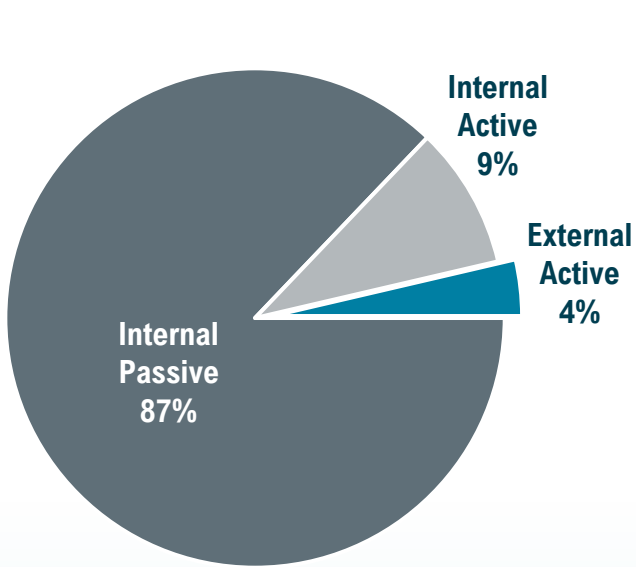
Policy Benchmark: S&P 1500
Asset Level: \$49.2B
 Internal Strategies: 5 Passive, 3 Active
 External Strategies: 1 Active

International Equity

Policy Benchmark: MSCI ACWI Ex-US
Asset Level: \$20.6B
 Internal Strategies: 1 Passive
 External Strategies: 3 Passive, 10 Active

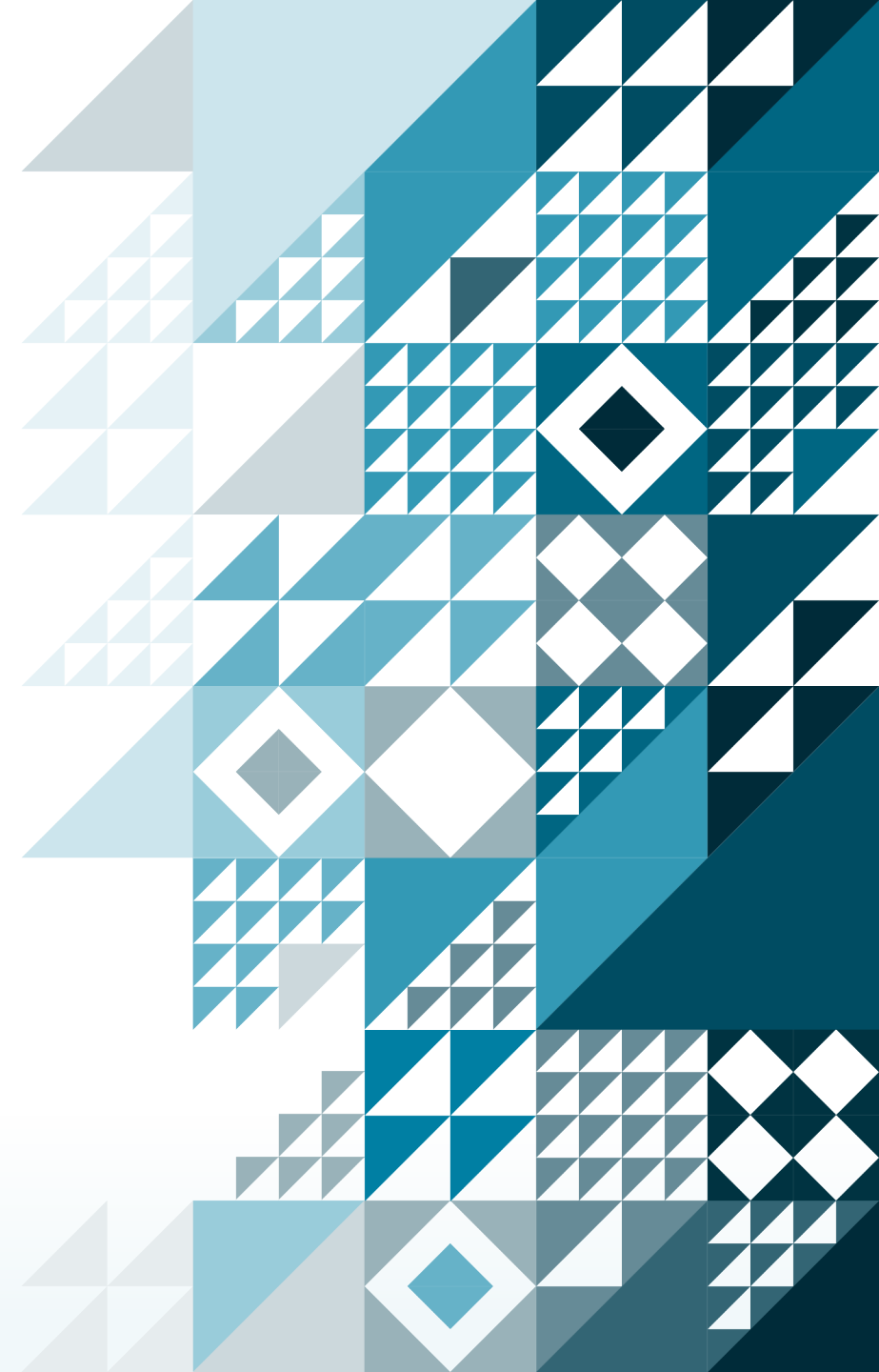
Global Equity

Policy Benchmark: MSCI ACWI
Asset Level: \$5.9B
 Internal Strategies: None
 External Strategies: 4 Active

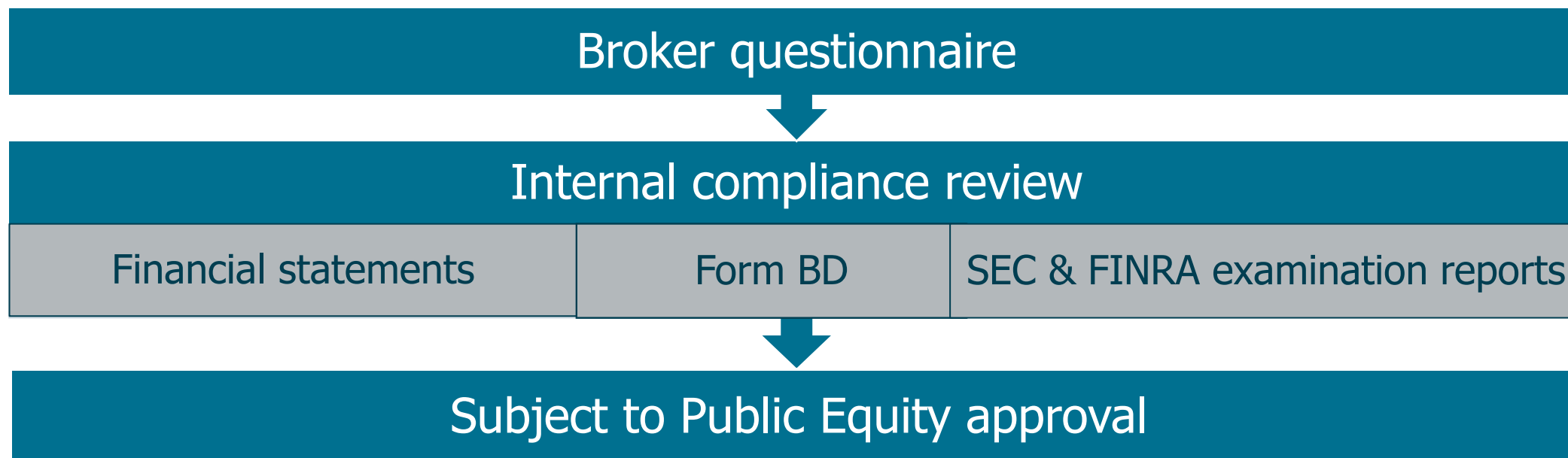


Public Equities: Brokers

David Tessitore
Director of Trading – Public Equities



Broker Approval Process

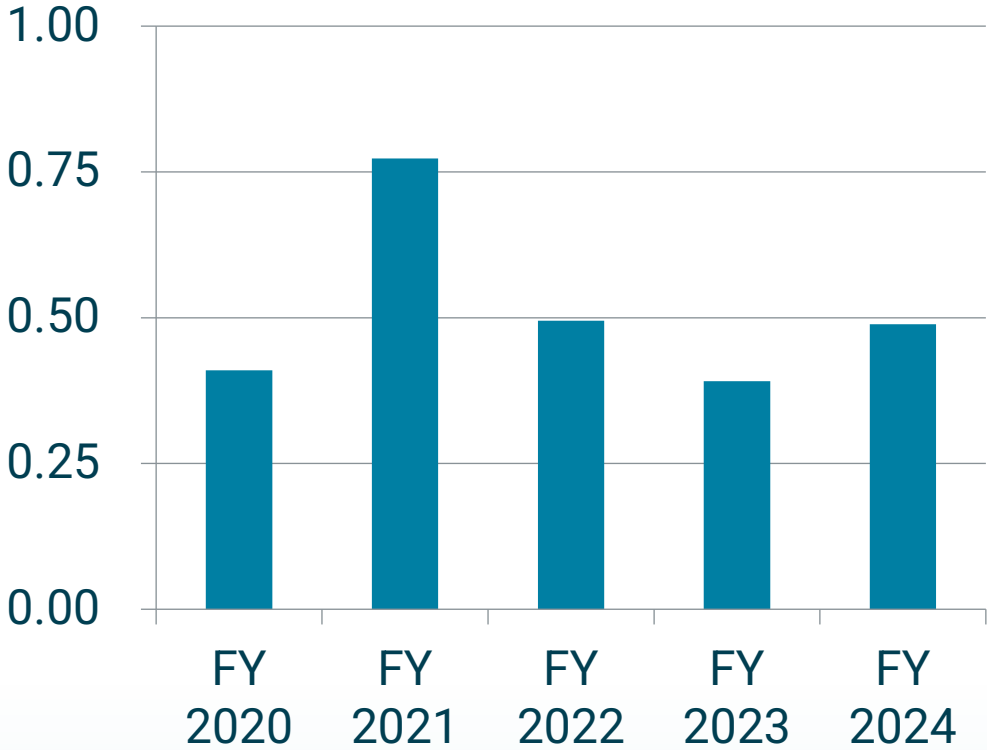


General criteria for approval:

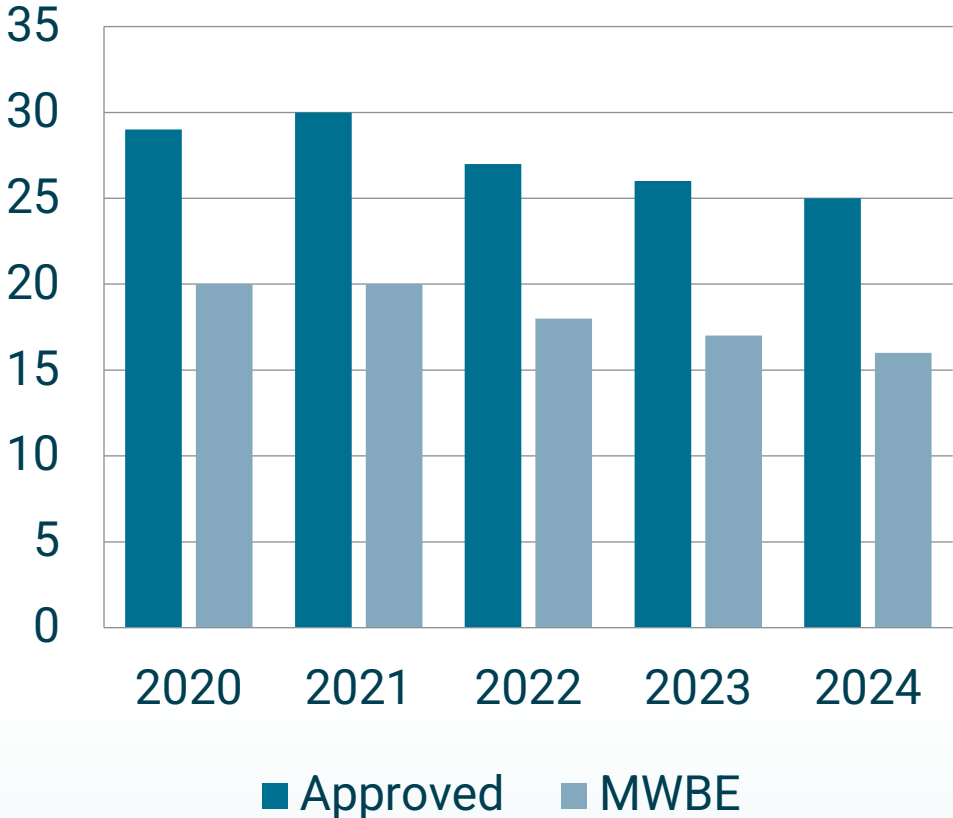
- Good financial standing
- Clean track record with SEC & FINRA

Brokers – Internal Public Equities

Commissions Paid (\$MM)



Number of Approved Brokers



Broker List Structure

Tier I – 5 Brokers (60-70% of total commissions)

- Global Platform- Trading and Research
- Proprietary DMA Product
- Quantitative and Fundamental Research Products
- Investment Banking
- Corporate Access
- Substantially Capitalized
- Offer Discount Trading Deals Around Index Changes

Broker List Structure

Tier II – 5-20 Brokers (30-40% of total commissions)

- Quantitative and/or Fundamental Research
- Demonstrate Knowledge of NYSTRS Trading & Investment Needs
- Current Trading Technology
- Negotiate Commissions
- TCA for all NYSTRS Trades

Broker List Structure

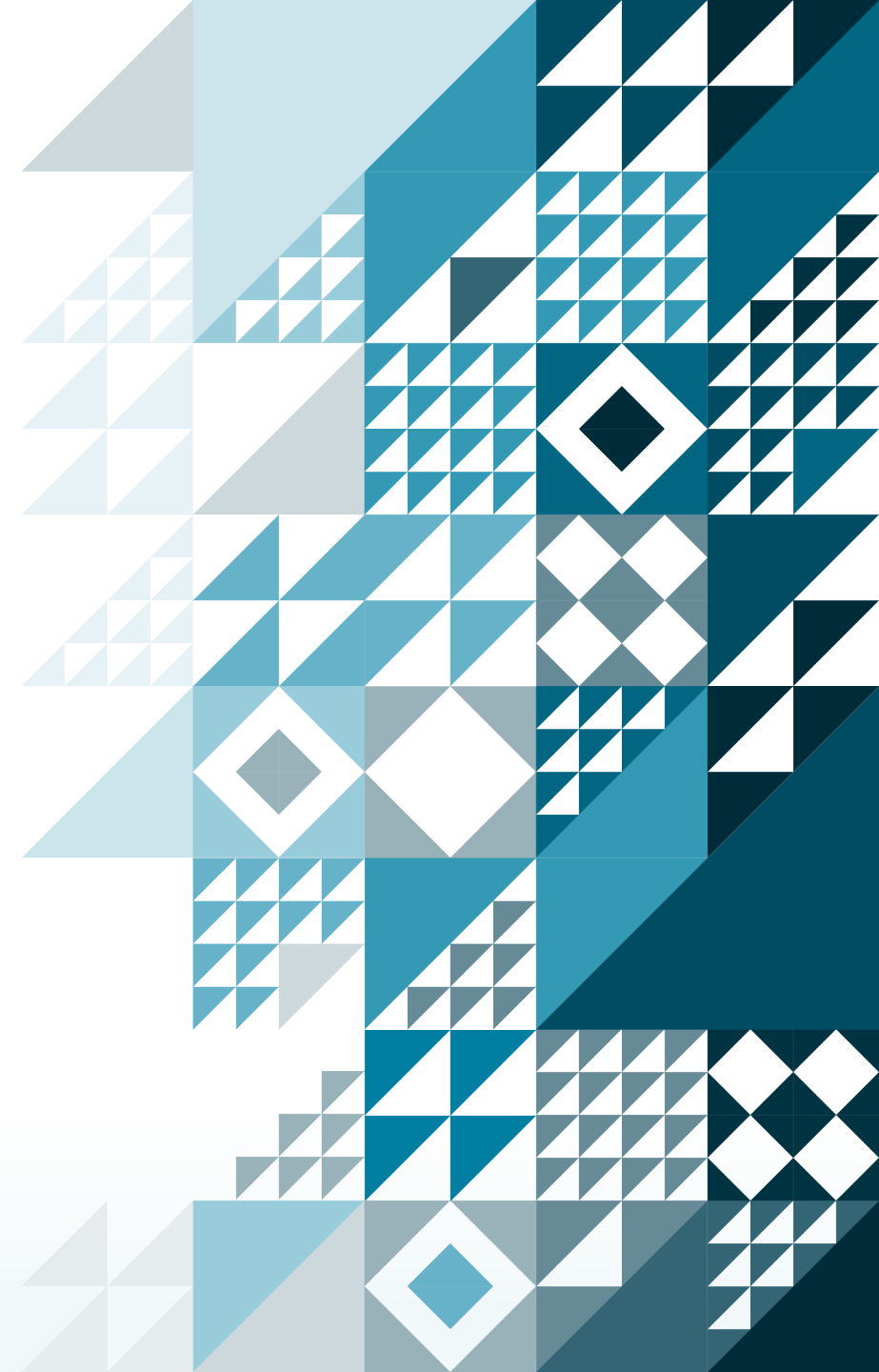
Changes to Broker List:

- 70-90% Rotation of Tier II
 - Trading Activity
 - Poor TCA Results
 - NYSTRS Expansion

Public Equities: External Strategies

Nathan Lee, CFA
Director of External Strategies – Public Equities

Derek Sam, CFA
Investment Officer – Public Equities



MWBE Participation

Managers

- Progress (1996-2019)
- Leading Edge Investment Advisors (2010-present)
- Xponance (2013-present)
- Ariel Investments (2017-present)
- RhumbLine Advisors (2020-present)

External Strategies – Direct Investments

A manager should have a(n):

- **Good fit with our asset allocation targets and strategic plan**
- **Stable organization with appropriate resources in research, compliance, trading and client service**
- **Sound investment philosophy and process**
- **Experienced investment team**
- **Long-term track record of outperformance and consistency**
- **Adequate scale and capacity**

Due Diligence: 6+ months and contracting period

- **Mandate Size: Typically, \$250m to \$500m to start; Goal of \$500m to \$1B**

External Strategies – Manager of Managers

For Managers with specialized strategies, short track records, smaller scale and capacity:

Invest through Manager-of-Managers Program:

- **Xponance and Leading Edge Investment Advisors**

LeadingEdge **LEIA**TM
INVESTMENT ADVISORS, LLC

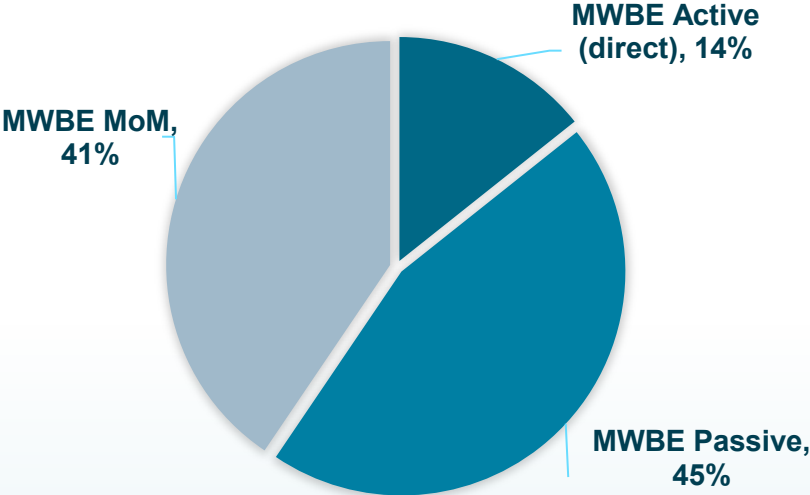


MWBE Participation (as of June 30, 2024)

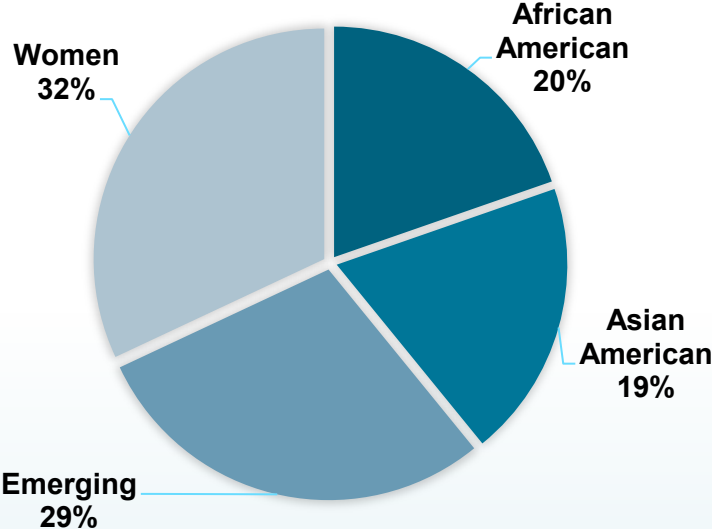
Total MWBE Investments \$2.4B

- \$1.3B MWBE Active Investments: \$969M MoM; \$342M Direct
- \$1.1B MWBE Passive Investments

NYSTRS MWBE Strategies
MWBE ALLOCATION



Manager of Manager Programs
MWBE AND EMERGING ALLOCATION*



Networking

Following the presentations there will be an opportunity to meet with representatives from:

- **Callan**
- **Leading Edge Investment Advisors**
- **Xponance**
- **NYSTRS Public Equities**

Thank you!



**New York State
Teachers' Retirement System**



15th Annual MWBE Investments and Professional Services Conference New York State Teachers' Retirement System

February 13, 2025



Xponance At a Glance

Firm Background

Our mission: Transforming Access to Alpha

Key Facts

\$20.1B	100%	42	79%
in AUM ¹	employee -owned	employees	women/ diverse

- Office Locations: Philadelphia, PA | Durham, NC
- Initiated market pioneering multi-manager platform focused on emerging and diverse managers



Investment Solutions



Multi-Manager Platform



Systematic Global Equities



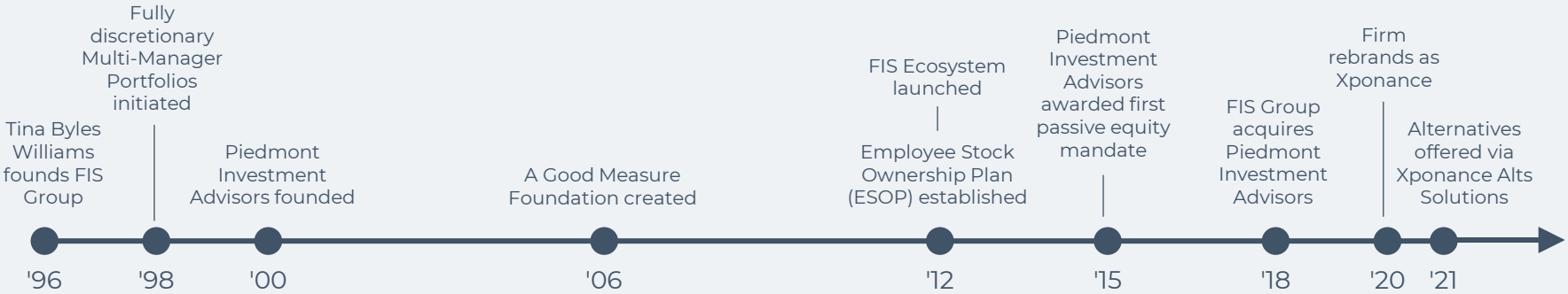
US Fixed Income



Xponance Alts Solutions



Aapryl: Empowering Portfolio Solutions



¹Preliminary as of September 30, 2024

Xponance Overview

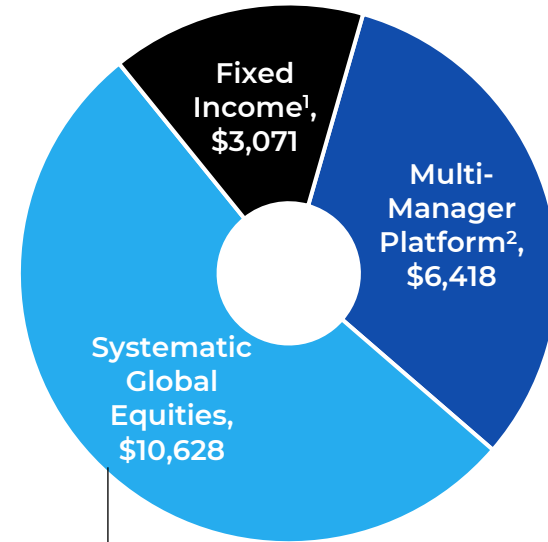
Firm Background

- **Xponance** is derived from the word “exponent”, which means:
 - a zealous **champion for our clients**
 - **Higher level client engagement** with a broader array of solutions to meet their investment needs
- **Woman and diverse owned** investment manager founded in 1996 by Tina Byles Williams
- **Principles of Responsible Investing** (PRI) Signatory
- **Entrepreneurial culture** fostered by a strong commitment to investments and client service
- **Financial strength** to re-invest in the businesses
- **Alignment with client interests** through ownership by our professionals (ESOP)
- **Duty to serve and improve our communities**



Assets Under Management & Advisement: \$20.1 Billion

All assets are preliminary as of 09/30/2024 (Asset details below in Millions)



Strategy Carveouts Included in Systematic Global Equities (\$mm)

Active	\$812
Passive	\$9,816

Strategy Sub-Composites Included in Multi - Manager Platform (\$mm)

International Equity	\$2,158
EAFE	\$2,908
International Small Cap Equity	\$574
Emerging Markets Equity	\$509
Global Equity	\$762

¹Fixed Income Assets include \$126 Million in Non-Discretionary assets as of 09/30/24.

²Multi-Manager Platform Assets under management (“AUM”) are assets for which Xponance has full discretion to hire and terminate sub-advisors, \$6.4B as of 09/30/24. Assets under Advisement (“AUA”) for the Multi-Manager Platform includes \$286M of non-discretionary assets as of 9/30/24. Additionally, the platform’s AUM includes directly managed non-fee-paying assets as of \$1.5M as of 09/30/24.

PORTFOLIO MANAGEMENT TEAM



Tina Byles Williams

CIO, Lead Portfolio Manager and
Chair of Investment Committee



Thomas Quinn, CFA®

Managing Director,
Sr. Portfolio Manager, Tactical
and Multi-Manager Strategies



Cesar Gonzales, Jr., CMFC

Director,
Manager Development and
Client Portfolio Manager

ANALYST TEAM



Tracy Cao, CFA®

Vice President, Team Lead
Manager Research
Multi-Manager Strategies



Adam Choppin, CFA®, APFI

Vice President,
Assistant Portfolio Manager
Multi-Manager Strategies



Omar Poitevien

Lead Manager, Operations
Research Specialist



Juan Best, CFA®

Research Analyst



Serena Li, CFA®

Analyst, Quantitative
Research Group

The Xponance Role

*Our role as an emerging manager of managers partner for NYSTRS is to provide access to **alpha** regardless of firm and product size, tenure, and length of performance track record.*

Creative Sourcing

- Evaluate alpha first, then the manager as a total package
- If total package doesn't meet minimum criteria, provide manager development assistance to help with product development and non-investment needs such as business plan, operations, marketing and sales strategy
- Source everywhere beyond traditional databases

Assessing Business Risk

- Evaluate the ability of the key stakeholders to run a sustainable business
- Ensure the manager has operational and compliance infrastructures that are appropriate for the requirements of institutional investors

On-going Manager Development Assistance

- After funding, ensure that expected alpha can be implemented without distraction from non-investment issues such as financial viability, operational/legal/compliance issues, etc., by providing on-going manager development assistance

What Do We Look For?

People/Culture

- Quality of key professionals
- Culture and decision-making context encourages rigorous analysis and diverse perspectives
- Compensation and/or ownership aligned with desired performance outcomes and team stability

Process

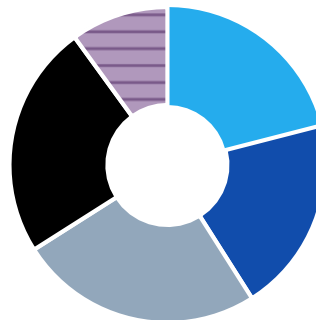
- Well-articulated and repeatable investment “edge” supported by credible research
- Quality of their security and factor selection research
- Disciplined execution of investment process validated through:
 - Holdings based portfolio characteristics and attribution
 - Analysis of impact of trading & portfolio sizing decisions
- Portfolio risk management processes
- Clear process for identifying “blind side(s)” or
- Ongoing validation of the efficacy of key drivers of their investment process

Infrastructure

- Allocation of organizational resources relative to edge assessment
- Institutional quality back office
- Compliance culture
- Financial resources (budget and financial statement analysis)
- On site visit(s) by research analyst(s) to validate thesis
- Independent Operational Due Diligence visit and scoring

Performance Validation

- Manager skill assessment via Aapryl system based on:
 - Style adjusted-benchmarks (derived through passive factor replication portfolio)
 - Custom style peers that exhibit similar factor exposures
- Characterization of the manager’s skill (stock selection vs. factor rotation and magnitude vs. consistency)



● Business Plan & Organization	21%
● Professional Depth & Stability	20%
● Performance	25%
● Investment Philosophy & Process	24%
● Operational Infrastructure	10%

To Succeed, We Recommend That Managers... Managers Must

- Continually evaluate the efficacy of their investment alpha, evaluate their biases, and recognize when they need to make changes
- Diversify distribution verticals, avoid full dependency on manager of managers
- Incorporate succession planning and exit strategy for your key stakeholders before firm becomes profitable
- Manage both their balance sheet and income statement
- Realize that poor operational infrastructure can get you fired
- Develop a strong firm culture and the rest will follow

Contact Us



Thomas Quinn, CFA®*

Managing Director, Senior Portfolio Manager
Tactical and Multi-Manager Strategies
tquinn@xponance.com

Thomas Quinn is Senior Portfolio Manager of all Multi-Manager Platform strategies. Additionally, Tom is Senior Portfolio Manager for the Tactical Equity strategies at the firm. Tom has over 20 years of investment experience, including eight years as CIO. He manages the team and process relating to manager sourcing and due diligence for the multi-manager strategies platform. In this capacity, he directs and oversees the quantitative research related to tactical and strategic portfolio positioning, manager evaluation, portfolio construction, and the Aapryl platform. Tom co-leads the firm's Quantitative Working Group, which is a collaborative forum for quantitative research at the firm. Tom is a member of Xponance's Management Committee and is also a voting member of Xponance's Investment Committee.

Prior to joining FIS Group, the predecessor firm to Xponance®, Tom was Chief Investment and Research Officer at Jefferson National, providing unique investment strategies and solutions to Investment advisors. Prior to this role, he was a co-founder and Chief Investment Officer at Spouting Rock Financial Partners, where he was instrumental in developing the macro forecasting and risk optimization models for that firm's investment products. Prior to Spouting Rock, he was a Senior Vice President and Portfolio Manager at Viking Investment Group, a single-family office in the Philadelphia area.

Tom earned his master's degree of Economics at Temple University and his bachelor's degree with honors at Ursinus College.

*CFA® is a trademark owned by CFA Institute.



Cesar Gonzales, Jr., CMFC

Director, Manager Development and
Client Portfolio Manager
cgonzales@xponance.com

Cesar J. Gonzales, Jr., CMFC® is Director, Manager Development and Client Portfolio Manager at Xponance®. He is a voting member of Xponance's Investment Committee and a member of the Management Committee. He is responsible for manager development and manager coaching in addition to leading the Xponance® Ecosystem. Cesar is the liaison between Xponance's manager research team and our client facing team. He is responsible for coordinating client implementations of Aapryl solutions through our financial technology subsidiary company.

Cesar has over 29 years of investment experience with an emphasis on the utilization of entrepreneurial managers. He has served in various senior investment management capacities including portfolio management, program management and operations at prestigious institutions such as Progress Investment Management Company, IBM Retirement Fund, E*TRADE Global Asset Management and Calvert Asset Management Company.

His passion for entrepreneurial managers was developed at his first job with Hutchinson Richardson Investment Management, an entrepreneurial manager in San Francisco. Cesar's breadth and depth of knowledge provides Xponance® with a unique perspective in the utilization of entrepreneurial managers. He is an active member of the Association of Asian American Investment Managers and the National Association of Securities Professionals.

Cesar graduated Summa Cum Laude from Strayer University with a B.S. degree in Economics and completed his M.B.A. with honors. Cesar holds the CMFC® designation.



**NYSTRS MWBE Investments &
Professional Services Conference**
February 13, 2025

EMERGING
MANAGER
CONNECTIVITY

FIRM OVERVIEW

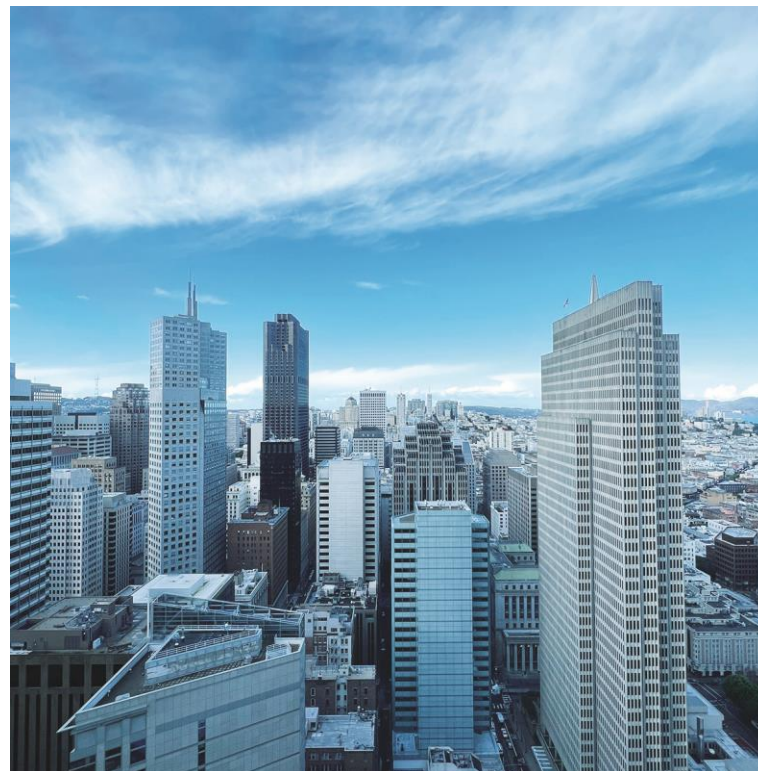
A diverse, experienced, and accomplished professional team

AN EXPERIENCED, STABLE TEAM DEDICATED TO EMERGING MANAGER INVESTING

- Independent – 100% employee and minority owned
- Founded 2005, in San Francisco
- \$4.9 billion AUM as of November 30, 2024
- Diverse, 14-member professional team (avg. experience 28 years industry, 10 years LEIA)
- Founders
 - Over three decades of Emerging Manager experience
 - Managed over 40 customized multi-manager programs (*prior firms included*)

INVESTMENT PROCESS DRIVEN BY EXPERTISE AND PROPRIETARY TECHNOLOGY

- Identify what makes a manager exceptional
- Emphasis on achieving optimal balance of risk and performance
- Robust proprietary systems
 - Manager identification and deep analysis
 - Portfolio optimization and risk modeling
 - Performance monitoring and reporting
- Insightful qualitative analysis
- Track record of attractive outcomes



LEADING EDGE

Unlocking the performance potential of emerging managers

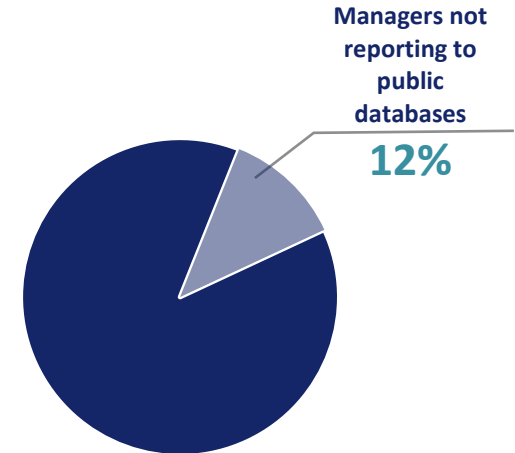
EMERGING MANAGERS DELIVER THROUGH

- Focus – core expertise, entrepreneurial culture
- Commitment – high employee ownership
- Agility – high conviction decision making
- Broader Perspective – more diverse investment talent pool
- Active share – Emerging Managers often hold larger active positions creating the potential for more significant outperformance
- Performance – potential for better outcomes

ALIGNED TO CLIENTS' INVESTMENT OBJECTIVES

- A customized program specific to your investment goals
- Diverse organizations with fresh ideas and innovative strategies
- Disciplined allocation practices, managing for nuanced style, risk and factor exposure
- Long-tenured client relationships with leading institutions

Leading Edge Manager Database



LEIA'S EXPERTISE LIES IN FINDING MANAGERS THAT HAVE THE POTENTIAL TO BE THE MOST SUCCESSFUL

- Structured over 40 emerging manager programs over 30 years*
- Funded over 90 managers – first institutional account for many firms*
- Meet with more than 350 Managers annually
- Record of identifying promising, undiscovered managers

* Includes staff experience at prior firms

PRODUCT OFFERINGS

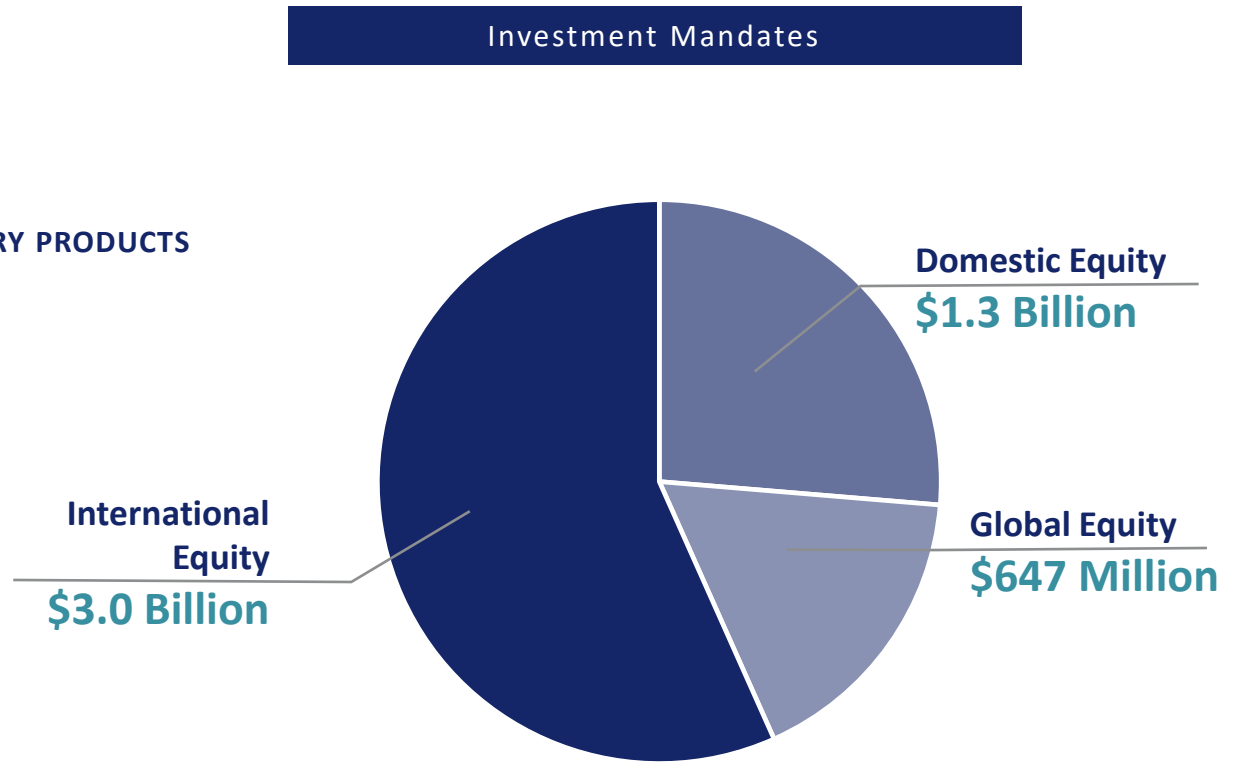
Multi-manager solutions for leading institutional investors

INVESTMENT OFFERINGS

- U.S. Equity
- Global Equity
- International Equity
- Emerging Markets Equity

EXPERIENCE OFFERING COMPLIMENTARY PRODUCTS

- Alternatives
- Concentrated Best Ideas
- Fixed Income



* As of November 30, 2024

INVESTMENT PROCESS

Designed to maximize the potential for repeatable outcomes

STRATEGIC FRAMEWORK

Customized to your investment mandate



MANAGER ANALYSIS

Identifying:

- Skill
- Potential for repeatability
- Distinct characteristics
- Sector and industry expertise



OPTIMIZATION

Proprietary technology to optimize capital allocation among select managers based on factor exposures and risk budgets



ALLOCATION

Allocation to a portfolio of managers selected for skill and synergy



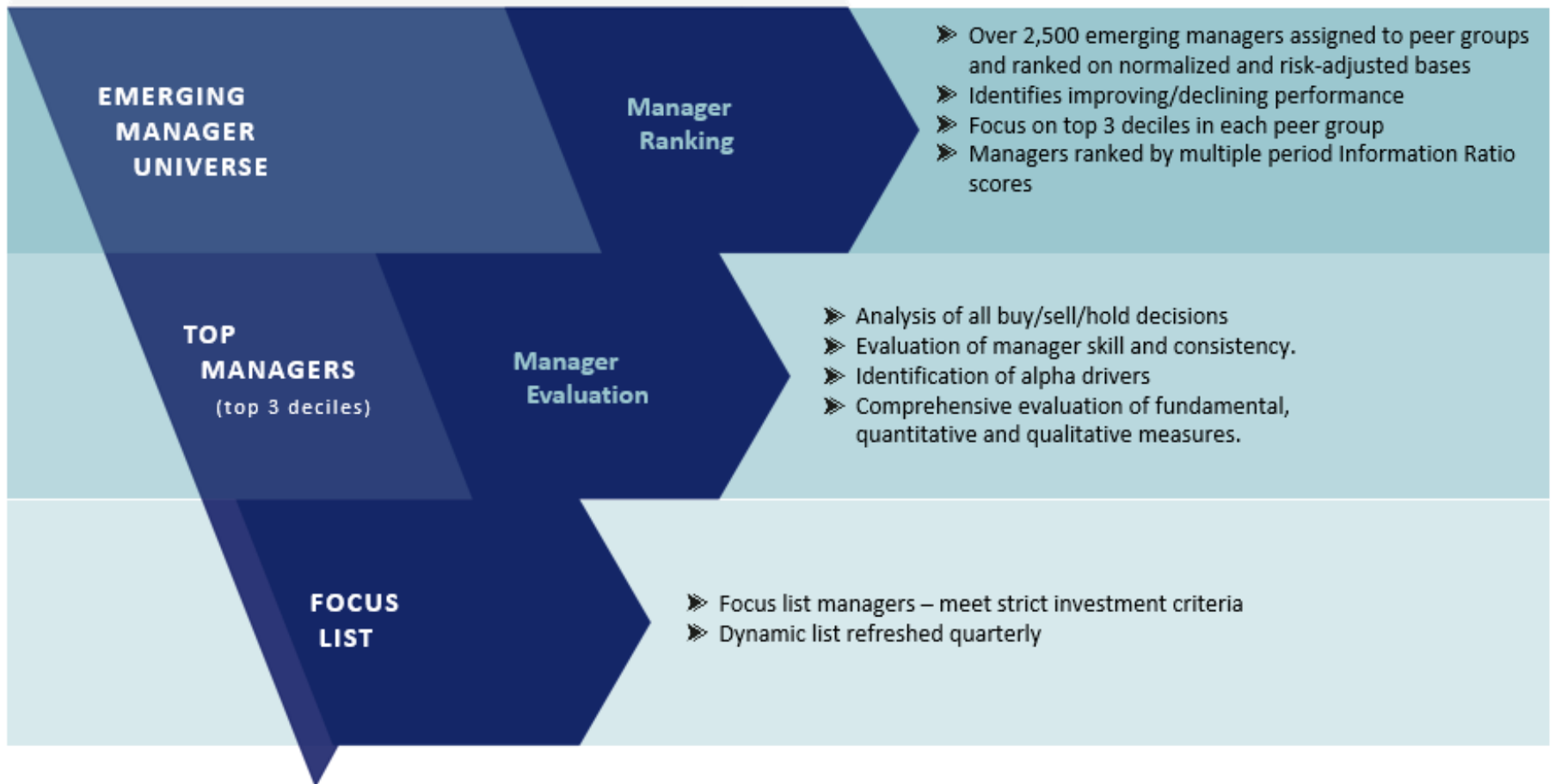
MONITORING AND REPORTING

- Continuous analysis of performance and risk
- Adjusting allocations to enhance outcomes



MANAGER ANALYSIS

Process designed to identify manager skill

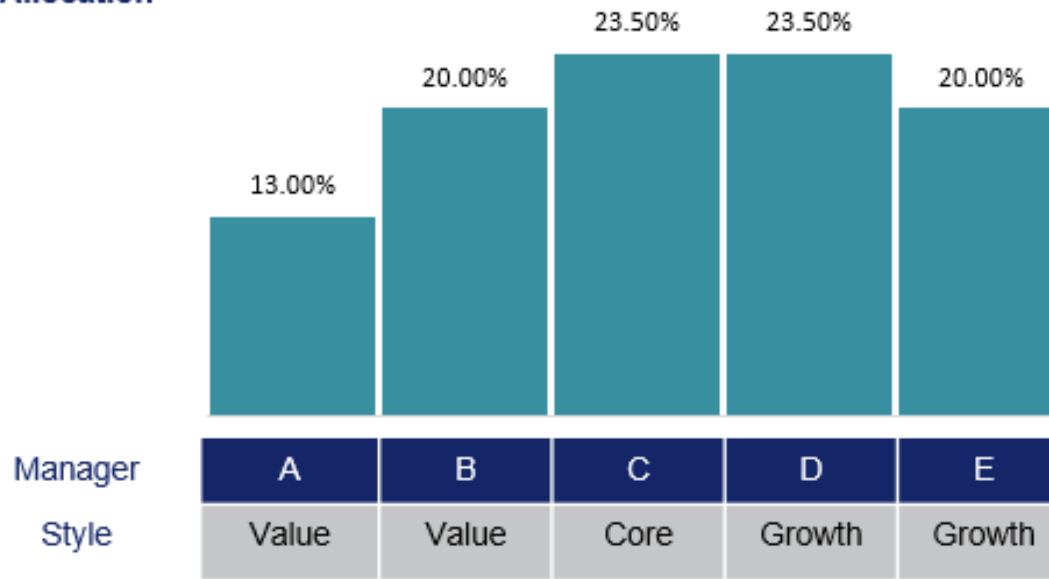


PROGRAM CONSTRUCTION

Dynamic Customized Optimization Process (“DCOP”)

Optimized Portfolio (Hypothetical)

Allocation



Portfolios are optimized with the goal of achieving mandate-specific objectives while observing all portfolio guidelines and constraints.

MONITORING & EVALUATION

Aggregating the positions of each manager to measure and manage total fund risk

Monitoring



Monitor portfolio performance and risk



Ensure compliance with guidelines



Evaluate organizational changes and development



Enforce watchlist/termination policy

Evaluation

- Validate program
- Review individual managers
- Graduate select managers
- Rebalance fund allocations as necessary

MANAGER SUPPORT

Benefits to emerging managers



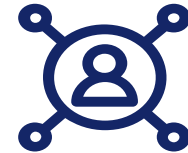
First or early capital to new firms

Generally, less constrained by size and track record requirements



Advice and mentoring supported by decades of experience

Deeper research coverage and higher level of oversight



Multiple sources of funding opportunities through a single platform

Operational and business development efficiency

Managers interested in submitting firm and product information to the research team can enter data in the LEIA Manager Portal:

www.leia-manager-portal.com

Manager Research Contact:

info@leia.net

(415) 217-7030

Callan



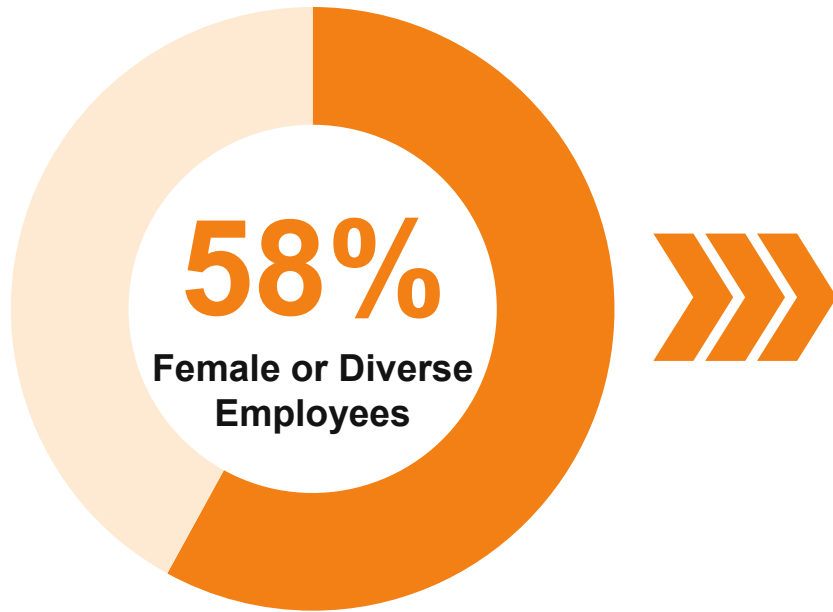
February 2025

Callan Presentation to NYSTRS MWBE Conference

Diversity, Equity, and Belonging &
Diverse and Emerging Manager
Engagement

Lauren E. Mathias, CFA
Senior Vice President & DEB Champion

Callan's Commitment to Diversity, Equity & Belonging (DEB)

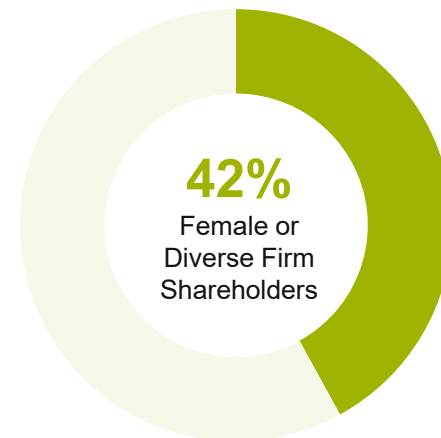
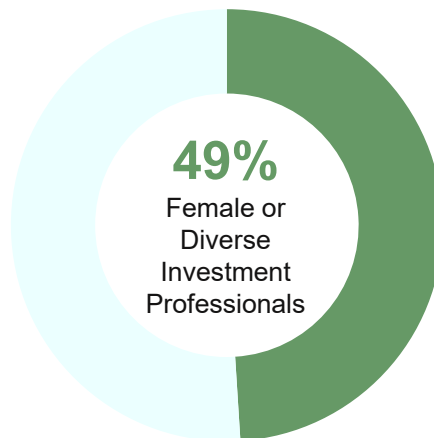
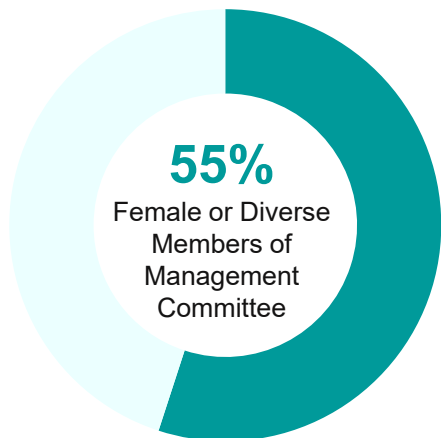


Our Founder

Callan founder, Ed Callan, along with Marx Cazenave, cofounded in 1990 the first multi-manager asset management organization committed to promoting diversity within the institutional investment community.

Our Clients

Callan has taken an active role in helping our clients expand their investments managed by diverse-, women-, and disabled-owned managers.



As of October 1, 2024

Callan's Commitment to Diversity, Equity & Belonging (DEB)

- ▶ Our approach to DEB reflects Callan's core values and has been a cornerstone of our business since the firm's founding in 1973.
- ▶ Callan's DEB Executive Sponsor, Champion, and Council are responsible for implementing the DEB strategy.
- ▶ Our goal is to engage, innovate, and grow by building a diverse workforce, pursuing equitable outcomes, and creating a sense of belonging.



Greg Allen
Executive Sponsor

Lauren Mathias
Champion

DEB Council

Paola Cardenales, Citlali Cuevas, Laura Dawson, Ruth Duque, Mike Joecken, Lindsay Jones, Juan Pablo Piz, Erik Partida, Avery Robinson, Jeff Salyer, Álvaro Vega, Nicole Wubbena

Callan's Commitment to Diversity, Equity & Belonging

Supporting organizations throughout the industry and beyond



CEO **ACTION**
FOR DIVERSITY
& INCLUSION



GCM GROSVENOR

Institutional Investing
Diversity Cooperative



SUMMER
SEARCH



TOIGO



Diversity, Equity & Belonging (DEB)

Education and outreach to diverse and emerging managers

Callan Connects

Launched in 2010, first-of-its-kind program developed by an investment consulting firm



Open to:

- Firms >50% owned by a minority, woman, or disabled-person; no AUM limit
- Emerging firms (<\$3bn in AUM or raising Funds I, II, or III <\$1bn)

30-minute meeting with Callan professionals

- Held quarterly in major U.S. cities (virtual as of March 2020)
 - 647** meetings since inception
 - 349** diverse-owned, **298** emerging
- Representing public equity, fixed income, private equity/debt, hedge funds, real assets and multi-asset class strategies
- Formal research notes maintained for all Callan Connects meetings

Open-door policy for diverse managers



Promoting diverse-, women, and disabled-owned (DWDO) managers is a key tenet of the firm

- Callan has dedicated resources in each asset class to cover diverse and emerging firms
- We actively identify and encourage managers to participate in our database
- Callan includes a DWDO in every client search, where available

202 meetings with diverse managers in 2023

28 diverse firms advanced as semifinalists in our manager search process in 2023

DWDO-focused, free annual workshops on industry best practices

Callan-sponsored attendees at “Callan College”

Callan's Manager Research Resources

As of September 30, 2024

Research Team by the Numbers

34 Manager Research Specialists

65% Callan shareholders

21 CFA and/or CAIA charterholders

13 Advanced degrees

Searches and Database by the Numbers

1,208 Manager searches completed over the last five years

\$261bn Assets represented by these searches

2,000+ Average number of manager meetings per year

3,600+ Organizations tracked in proprietary database

21,000+ Strategies tracked in proprietary database

Commitment to dedicated resources

- Sole focus is research
- Highly valued, high-profile, career positions
- Original research, in-depth due diligence

Proprietary database and analytics

- Full control over data collection and due diligence
- Clean, detailed, and continuous data

Searches are client-driven and customized

- No buy-list
- Emphasis on both quantitative and qualitative analysis
- Thorough documentation of entire process

Oversight committee for manager searches

- Best thinking across the firm
- Ensures quality control and adherence to well-defined and robust process

Manager Research

Comprehensive Evaluation Process

Qualitative Analysis

People/Organization

- What are the investment professionals' qualifications and experience?
- Significant changes in ownership, personnel or assets?
- How is ownership allocated and what is the intermediate business plan?
- What resources are being utilized to operate - any outsourcing?

Philosophy/Process

- Has investment philosophy & process remained consistent over time? Is it repeatable?

Portfolio Construction

- Describe portfolio construction and parameters

Performance

- Rational explanation for out/underperformance?

Quantitative Analysis

Historical Performance

- Performance relative to peers/benchmarks over time?
- Do the results reflect the investment process?

Risk Adjusted Returns

- Returns in line with risks taken?

Portfolio Characteristics

- Are holdings consistent with stated style?
- How do portfolio characteristics compare to peers/index?
- Do characteristics explain historical performance patterns given market environment?

Attribution

- Sources of relative performance? Is this consistent with stated philosophy, process, and objectives?

Manager Research: Diversity & Inclusion

Examples of firm-level questions, firm-level and investment team profiles, and DEI score

- Formal Diversity & Inclusion Policy?
- Recruitment initiatives focused on women, people of color and/or other under-represented candidates?
- Formal pay-parity policy?
- Policies intended to increase gender, racial, ethnic diversity of senior leaders and investment teams?
- Offer DEI or unconscious bias training?
- Mentor program for women, people of color and/or other under-represented candidates?

Diversity Profile	# of Employees	Gender Breakdown	# of Employees
Asian	94	Male	247
Black or African American	10	Female	92
Hispanic or Latino/a/x	6	Non-binary/Third Gender	
Middle Eastern or North African		Prefer not to disclose	
Native American, Alaskan Native or Indigenous People	1		
Native Hawaiian or Pacific Islander			
White or Caucasian	221		
Two or more races	7		

DEI
3.00

Calculated by Callan

The DEI score is a quantitative measure that is based on an organization's response to a set of eight DEI questions as well as ownership and total employee demographics. The DEI score ranges from 0 to 3, with 3 being the maximum for the degree to which the organization has demonstrated its commitment to DEI.

Of note, the score is meant to be a high level assessment of where a firm lies in addressing DEI and is not meant to be a precise measure nor to capture all of the elements that we would consider if doing a qualitative in-depth assessment. Scores are calculated only for organizations that respond to all questions and demographics to ensure an even playing field. Callan does not guarantee that the manager responses are accurate.

Manager Research

Manager Search Process Overview

The Process

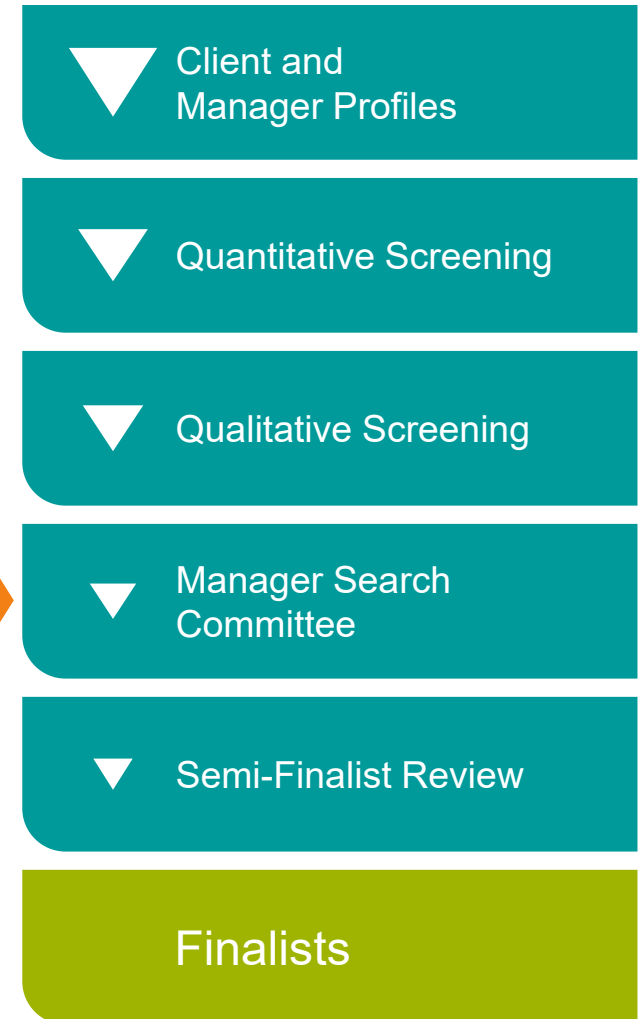
- Disciplined, consistent and transparent practice driven solely by client needs and requirements
- No buy lists
- Process guided by internal partnership between research specialists and consultants
- Manager Search Committee ensures quality control

The Outcome

- Managers and strategies that best fit the investment program and specific mandate

68 searches included DWDO candidates for the year ended September 30, 2024

Manager Search Process



Manager Research

Callan's Manager Database

Investment Manager Database			
	No. Strategies	No. DWDO Products	No. Managers
U.S.			
Equity	3,872	355	984
Fixed Income	2,941	199	492
Balanced	251	9	127
Global ex-U.S. / Global / Emerging			
Equity	3,397	304	1,269
Fixed Income	618	26	258
Balanced	128	8	77
Real Estate			
Public	184	11	86
Private	2,399	183	717
Real Assets			
Public	160	6	97
Private	523	32	214
Private Equity	4,112	242	940
Private Credit	1,177	65	373
Hedge Funds	931	51	268
Multi Asset Class	157	10	86
Target Date Funds	1,240	-	60
Other (currency, derivatives, etc.)	205	16	141
Total	22,295	1,517	3,837*

Managers are never charged a fee to be in Callan's database.
*Represents Unique Organizations

Multiple Manager Touchpoints

- 521 DWDO firms in database
- 2,000+ manager meetings / onsite annually
 - 200 meetings with DWDO firms in 2023
- 240 manager searches/evaluations per year
 - DWDO firms included in each search
- Hundreds of managers analyzed / year via client performance measurement

As of 12/31/23

Active funds as of September 30, 2024

Callan's Database of Diverse Managers

Diverse-, women- and disabled-owned (DWDO) firms

DWDO Firms

By the Numbers

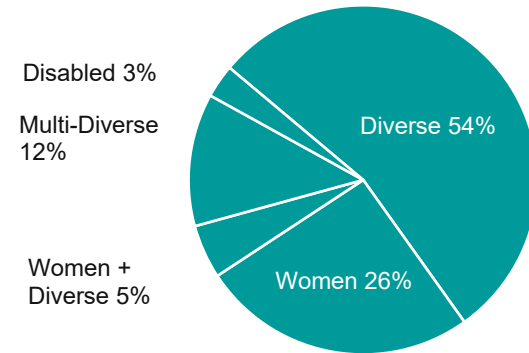
\$42bn	Assets managed by DWDO firms for Callan clients	647	Number of Callan Connects meetings since the program's inception*
60 (29%)	Number of Callan clients utilizing DWDO firms	1388	Number of DWDO strategies within Callan's database
202	Number of Callan meetings with DWDO firms	521**	Number of firms classified as DWDO in Callan's database

As of December 31, 2023, unless another date is indicated.

*Since inception in May 2010

**220+ firms are currently active

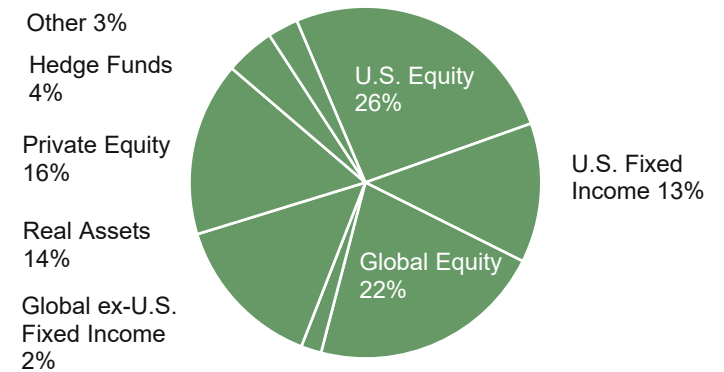
DWDO Firms by Ownership Type*



Diverse

Asian	35%
African American	28%
Hispanic or Latino	21%
Undefined	7%
Two or more races	7%
American Indian & Alaska Native	1%
Native Hawaiian & Pacific Islander	<1%

DWDO Firm Offerings by Broad Asset Class



*Can include overlap. Numbers may not sum to 100% due to rounding.

Diverse Manager Experience

What Makes Managers Successful?

Client Focused

Product Offering

Confirm product lineup is of interest to institutional clients

Examples: International Small Cap, Core Fixed Income, Venture Capital

Back Office

Institutional quality operations (outsourced or in-house)

Appropriate Vehicles

Create opportunity to work with a broad client base

Examples: Commingled and mutual funds

People/Organization

What experience does the investment team have? What is the organizational structure?

- Able to provide evidence of success at prior firms
- Perpetuity built into the firm - working capital & multi-year business plan

Performance

If the strategy is newly incepted, highlight how it might perform in multiple market environments

Communication Best Practices

Marketing

Ensure consistency of marketing message across all forms of communication

Communication

Convey strength and stability of the organization

Consistency

Highlight the persistence of the investment philosophy and process

Repeatability

Show evidence of repeatability in the investment results

Trustworthy

Convey honesty and integrity in everything you do

How to work with Callan

Fill out Callan's Manager Questionnaire

Go to: app.callan.com

Contact: database@callan.com with questions

Attend a Callan Connects event

Go to: callan.com/callan-connects to be notified of future meeting dates

Contact: **Lauren Mathias** (mathias@callan.com) with questions

Connect with a Manager Research Specialist*

U.S. Equity: Mark Stahl, David Wang, Mark Wood, and Nicole Wubbena

Non-U.S./Global Equity: Paul Choi, Nick Conant, and Lauren Mathias

Fixed Income: Aaron Birman, Dario Buechi, and David Zee

Real Estate/Assets: Avery Robinson (head + 7 team members)

Alternatives: Pete Keliuotis (head + 12 team members)

Meet a local Callan Consultant

San Francisco: (415) 974-5060; cannon@callan.com

Denver: (303) 861-1900; rodriguez@callan.com

Chicago: (312) 346-3536; wofford@callan.com

Atlanta: (770) 618-2140; lovettb@callan.com

New Jersey: (908) 522-3880; grenot@callan.com

Portland: (503) 488-1947; quinn@callan.com

*All Manager Research Specialist emails are their last name @callan.com

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New York State
Teachers'
Retirement
System

MWBE 2025

Investments & Professional Services Conference

A Seat at the Table

10:00 a.m.-11:00 a.m.	General Registration & Check-in	Entrance Table
11:00 a.m.-11:15 a.m.	Conference Welcome	Ballroom
11:15 a.m.-11:30 a.m.	Opening Remarks	Ballroom
	<i>Thomas K. Lee, Executive Director & Chief Investment Officer</i>	
11:30 a.m.-12:00 p.m.	ED & CIO Opening Fireside Chat	Ballroom
	<i>Featured Speaker – Cathy Marcus, PGIM Real Estate</i>	
12:00 p.m.-1:00 p.m.	Lunch Break	
	<i>Boxed Lunches in Long Hallway</i>	Long Hallway
	<i>Attendees can take lunch to Ballroom</i>	Ballroom
1:00 p.m.-1:30 p.m.	ED & CIO Fireside Chat	Ballroom
	<i>Featured Speaker – Maggie Arvedlund, Turning Rock Partners</i>	
1:30 p.m.-2:00 p.m.	Networking Session	Long Hallway
2:00 p.m.-2:30 p.m.	Miscellaneous Breakout Sessions	
	<i>Gender Equity in Finance Roundtable (Emily Ekland)</i>	Albany Room
	<i>Culture Building & DEI (Danny Malavé)</i>	Troy Room
	<i>Private Debt Seminar (Endurance Aku & David Maye)</i>	Big Breakout
	<i>Cont. Networking (Business Partner Tabling)</i>	Long Hallway
2:45 p.m.-4:15 p.m.	Asset Class Breakouts	
	<i>Private Equity</i>	Ballroom
	<i>Fixed Income</i>	Albany Room
	<i>Real Estate</i>	Troy Room
	<i>Public Equities</i>	Big Breakout
4:30 p.m.	Closing Speaker/Remarks	Ballroom

