

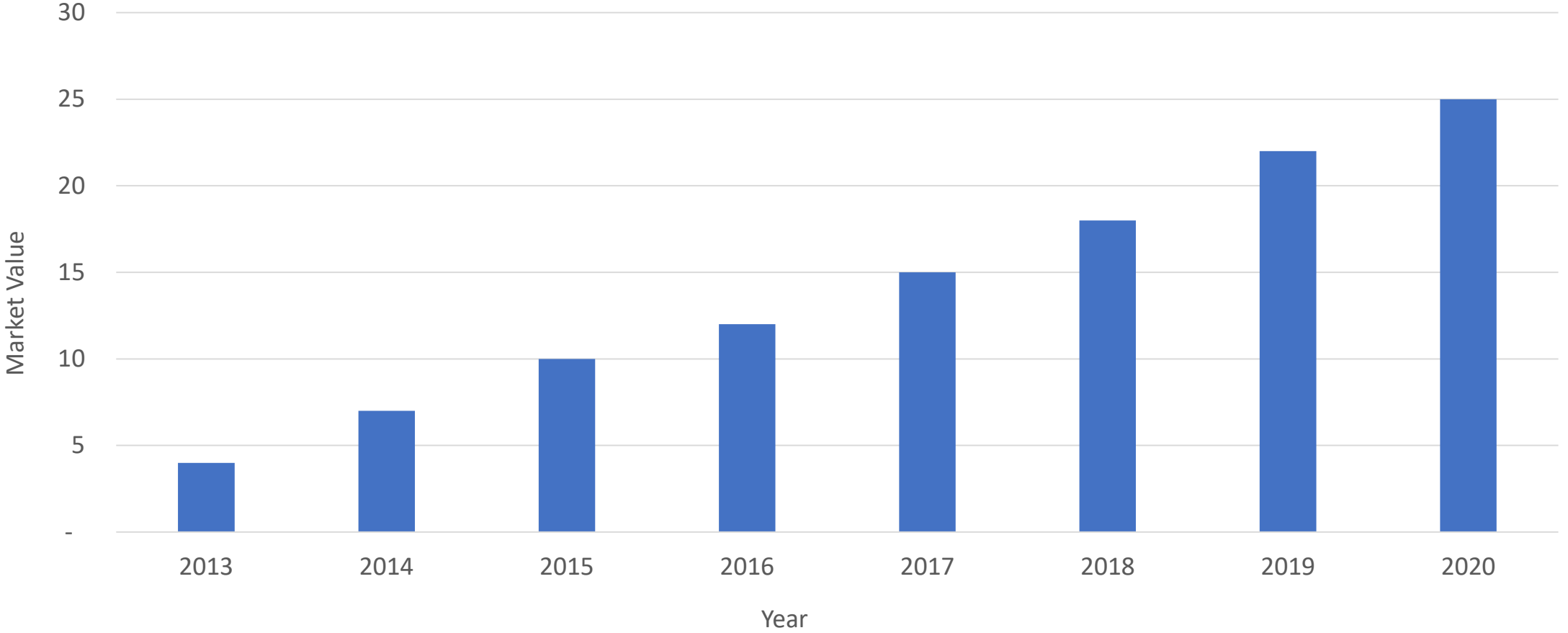


LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

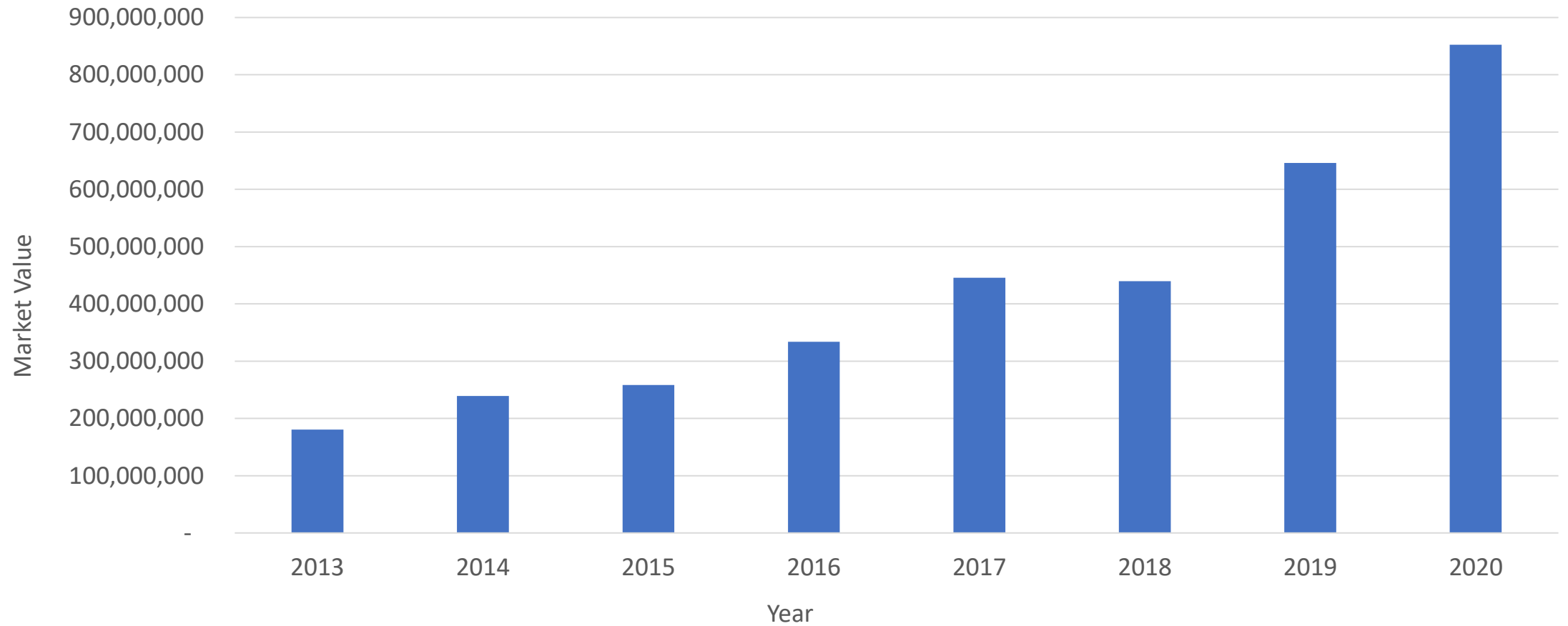
LACERS Emerging Manager Symposium AGENDA

- 9:00 AM Welcoming Remarks – *Cynthia M. Ruiz, LACERS Board President*
State of LACERS' Emerging Manager Program – *Rod June, Chief Investment Officer*
- 9:10 AM Emerging Managers in Public Markets
- Staff Presentations –
 - *Bryan Fujita, Ellen Chen, Barbara Sandoval, Jeremiah Paras, James Wang*
 - Consultant Presentation – *NEPC, LLC*
 - Q & A
- 9:45 AM LACERS' Commitment to Emerging Managers – *Nilza Serrano, LACERS Board Member*
- 9:50 AM Emerging Managers in Private Markets
- Staff Presentations –
 - *Wilkin Ly, Clark Hoover, Robert King, Eduardo Park*
 - Consultant Presentation – *The Townsend Group*
 - Consultant Presentation – *Aksia TorreyCove Partners LLC*
 - Q & A
- 10:55 AM Closing Remarks – *Neil M. Guglielmo, LACERS General Manager*

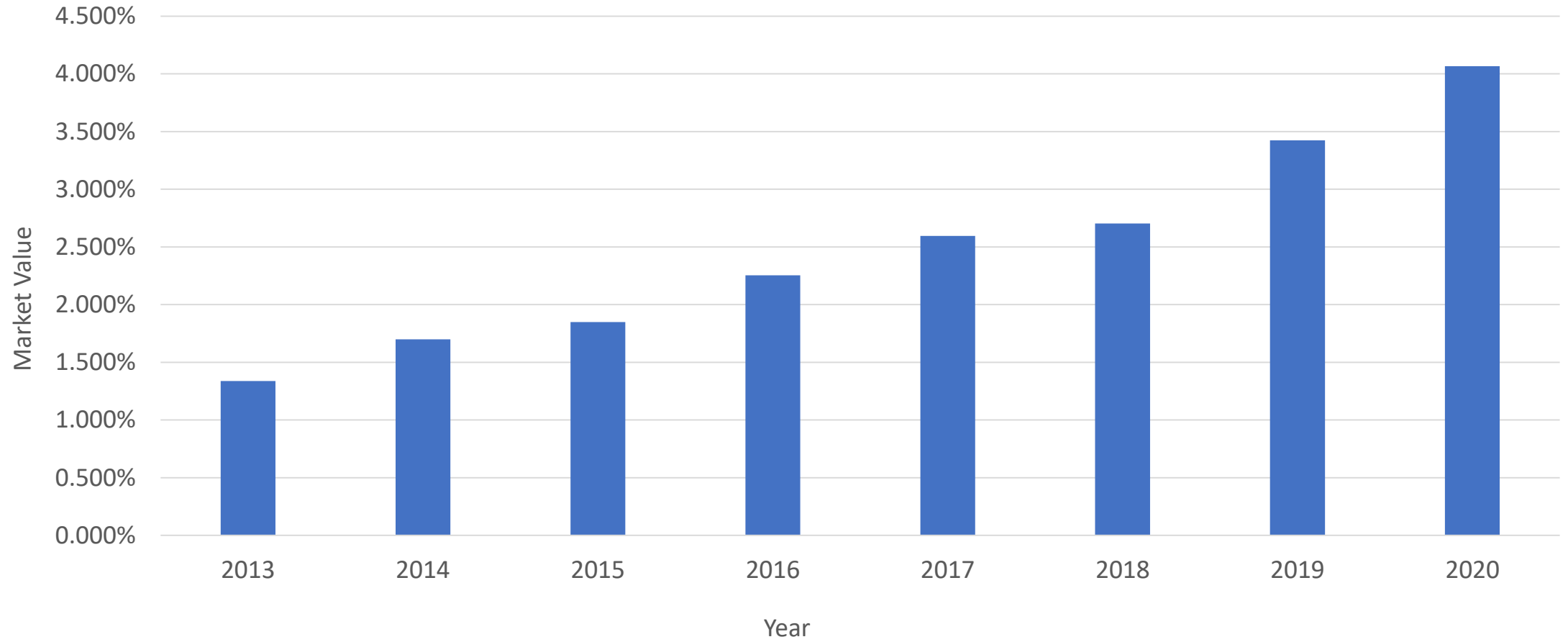
Emerging Manager Count



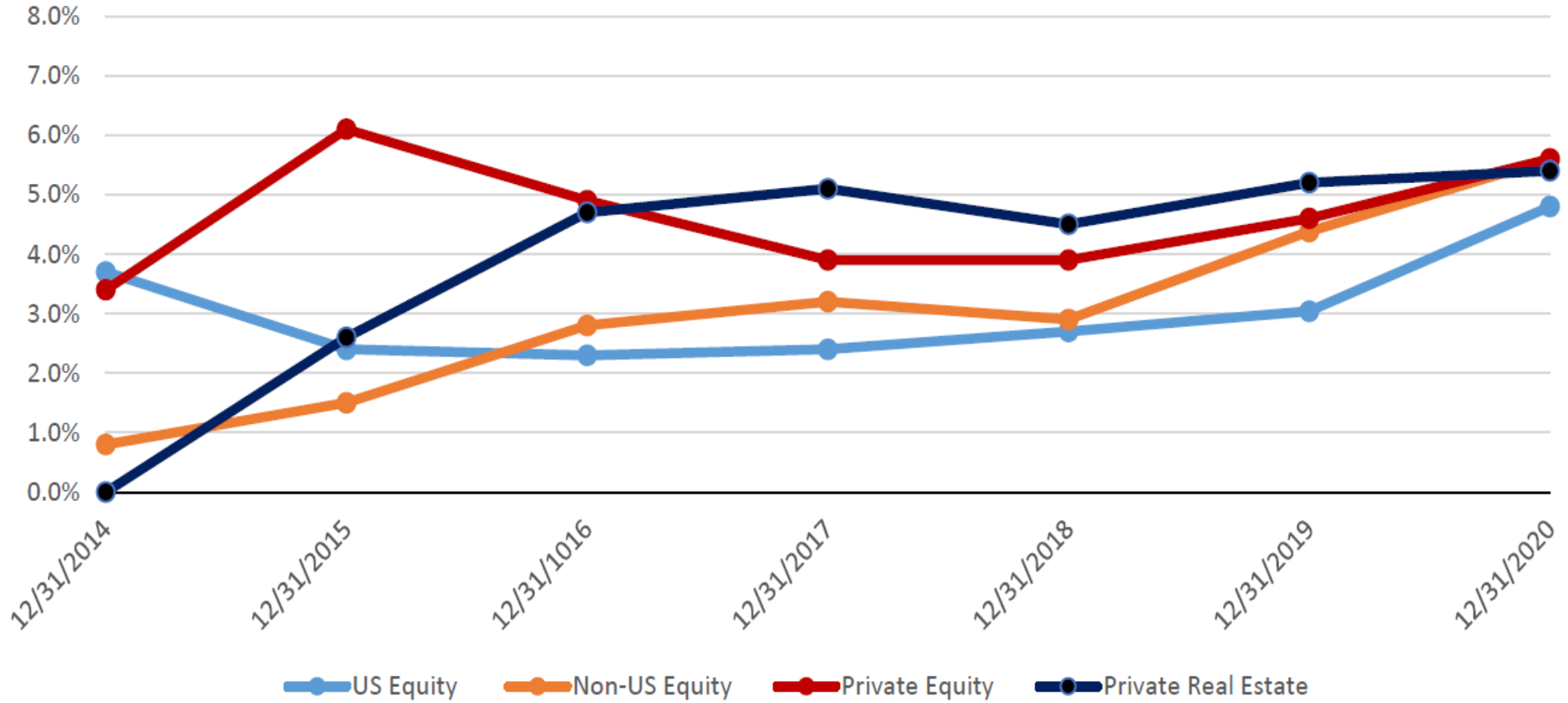
EMs Total Exposure (by Market Value/Public Mkts + by Committed Dollars/Private Mkts)



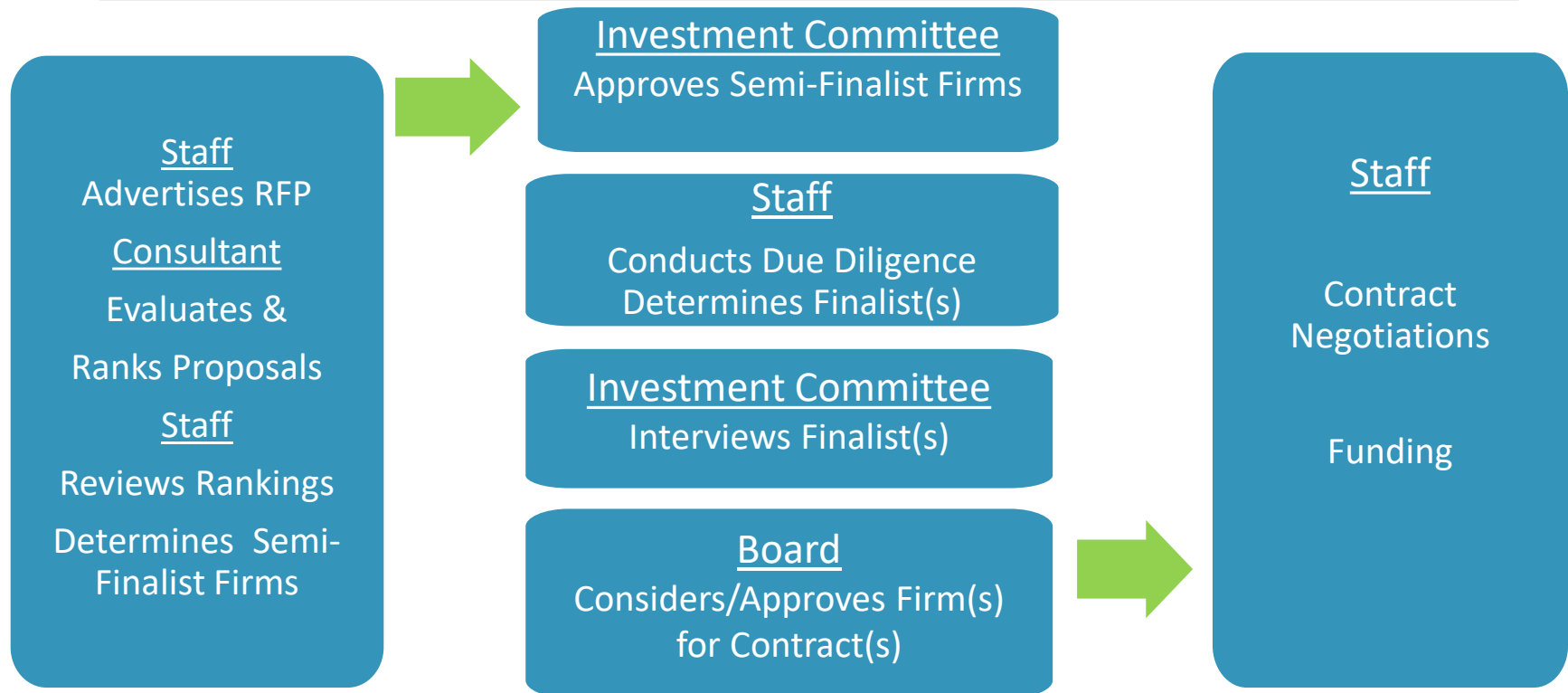
Emerging Manager Exposure (% of Total Fund)



Emerging Manager Exposure by Asset Class



Public Markets Manager Selection Process





LACERS EMERGING MANAGER SYMPOSIUM

OCTOBER 20, 2021

Carolyn Smith, Partner



ABOUT NEPC

- Our success as a firm is fueled by our love for this business
- We remain independent to prioritize client interests
- We invest heavily in research and people



330 EMPLOYEES



7 REGIONAL OFFICES



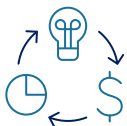
EMPLOYEE-OWNED

46 Partners



RESEARCH FOCUSED

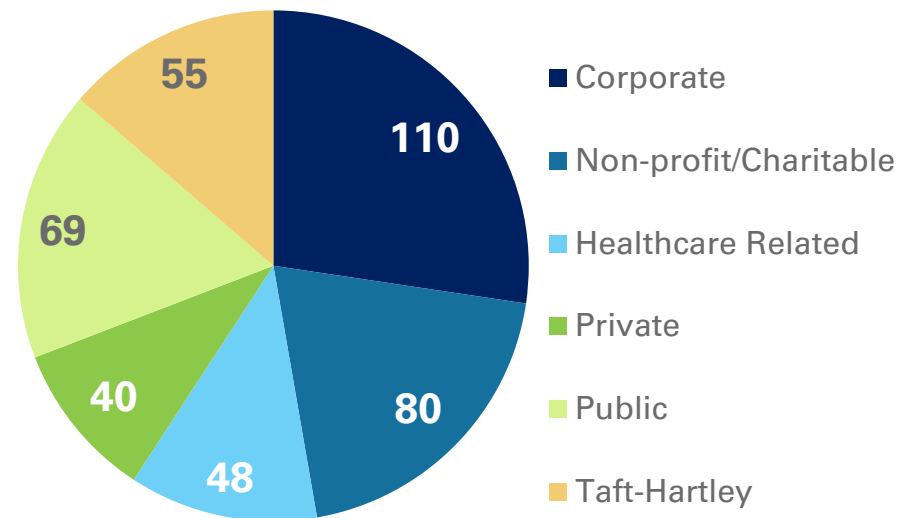
59-Person Research Team



7 PRACTICE TEAMS

deliver expertise by client type

402 CLIENTS



\$1.4 TRILLION

Assets Under Advisement



As of 4/1/2021

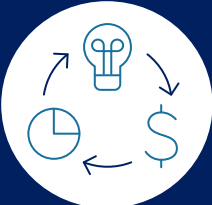
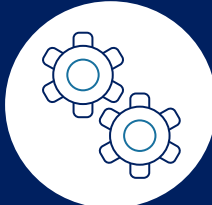


HOW NEPC ENGAGES WITH THE EMERGING MANAGER COMMUNITY

DIVERSE-OWNED	DIVERSE-LED	
A firm that's at least 50% owned by an under-represented group	A firm that's 33%-to-50%-owned by an under-represented group	
UNDER-REPRESENTED GROUPS		
Black/African American Latinx Asian/Pacific Islander	American Indian/Alaskan Native Female	Disabled Veteran LGBTQ+

There are several ways in which a diverse manager can get on our radar and within our database

1. Participation in NEPC's annual Equitable Manager Participation Workshop
2. Send firm/strategy information to DiverseManagers@nepc.com
3. Ensure information is updated and accurate in eVestment

Multiple Pathways to Engage NEPC Clients

 <p>Standard NEPC Due Diligence Process <i>1-Rating or 2-Rating</i></p>	 <p>Discovery Platform or Explorer Program</p>	 <p>Turnkey Solution to Use Rated MoMs/FoFs that Focus on Diverse Managers</p>	 <p>Client-Directed Search <i>1-Rating, 2-Rating or 3-Rating</i></p>
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HOW NEPC APPLIES LACERS EMERGING MANAGER POLICY



Pre-RFP



Direct Contact:

NEPC Research Team
LACERS Consulting Team
DiverseManagers@nepc.com



LACERS RFP



NEPC Adheres to LACERS Manager Search and Selection Policy:

- Minimum qualifications and Board-approved criteria
- Score each qualifying proposal to determine semi-finalists
- Work with Staff and Investment Committee to identify finalists

LACERS EVALUATION CRITERIA

QUALITATIVE ASSESSMENT – 70%

Organization/People – 30%
Investment Process – 40%
Risk Management – 30%

QUANTITATIVE ASSESMENT – 20%

EXPECTED FEES – 10%

NEPC CONTACT INFORMATION

LACERS CONSULTING TEAM



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(617) 374-1300

DiverseManagers@nepc.com



EIM Policy Highlights – Private Equity *



As of May 25, 2021 – See the complete EIM policy at www.lacers.org

* Includes Real Assets and Credit Opportunities; excluding Private Real Estate

Institutional Funds	<ul style="list-style-type: none">• First-, Second-, and Third-time institutional fund
Maximum Fund Size	<ul style="list-style-type: none">• First-time Fund: \$750 million; Second-time Fund: \$1 billion; Third-time Fund: \$1.25 billion
Formation Date	<ul style="list-style-type: none">• Six months if a spinout of a majority of key senior professionals; otherwise, one year
Track Record	<ul style="list-style-type: none">• Five (5) year verifiable record of firm’s key individuals; Attribution from prior funds of key individuals or team acceptable, subject to verification
Firm Ownership	<ul style="list-style-type: none">• Majority owned by principals and/or employees
Limited Partner Concentration	<ul style="list-style-type: none">• No LP can represent more than 30% of the total Fund’s committed capital. Excludes co-investments or sidecar investment vehicles.
Minimum Fund Size	<ul style="list-style-type: none">• \$100 million (\$75 million for Venture Capital). Excludes co-investments or sidecar investment vehicles.
Maximum LACERS Commitment	<ul style="list-style-type: none">• 10% of projected fund size or \$30 million, whichever is lower

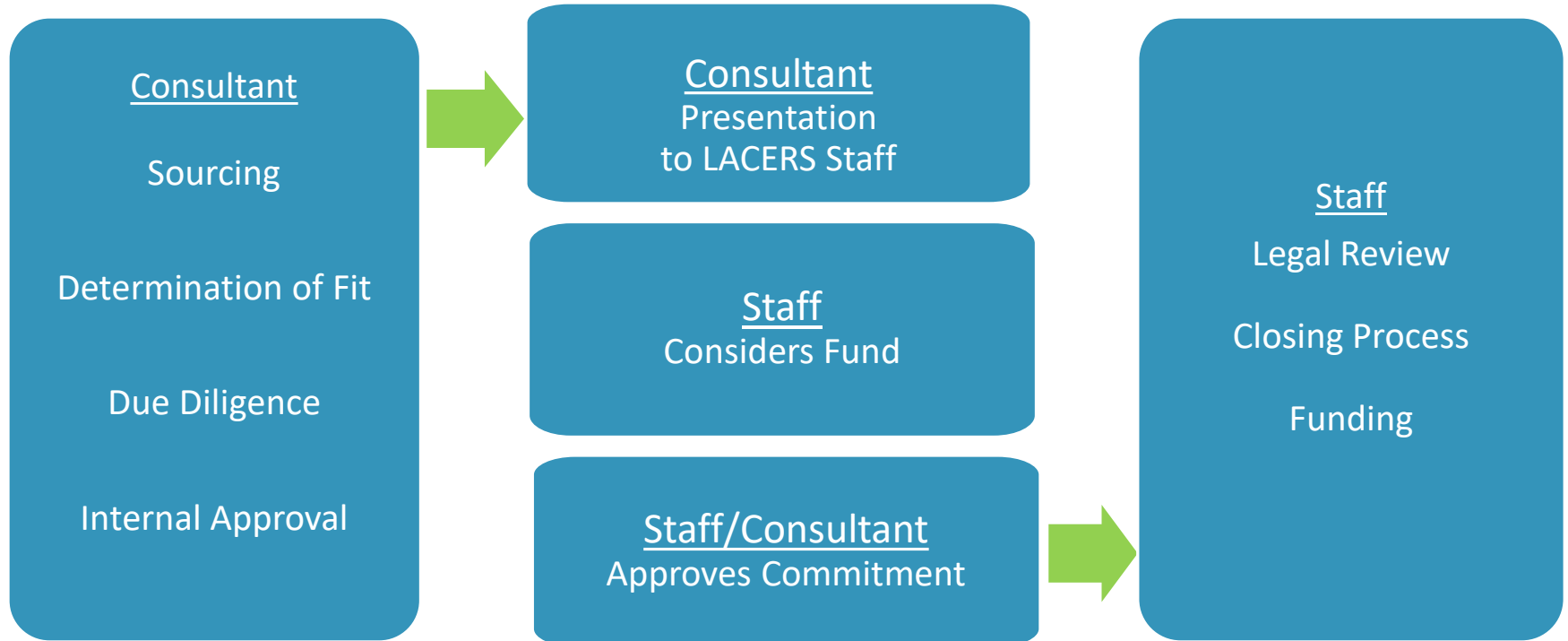
EIM Policy Highlights – Real Estate

As of May 25, 2021 – See the complete EIM policy at www.lacers.org

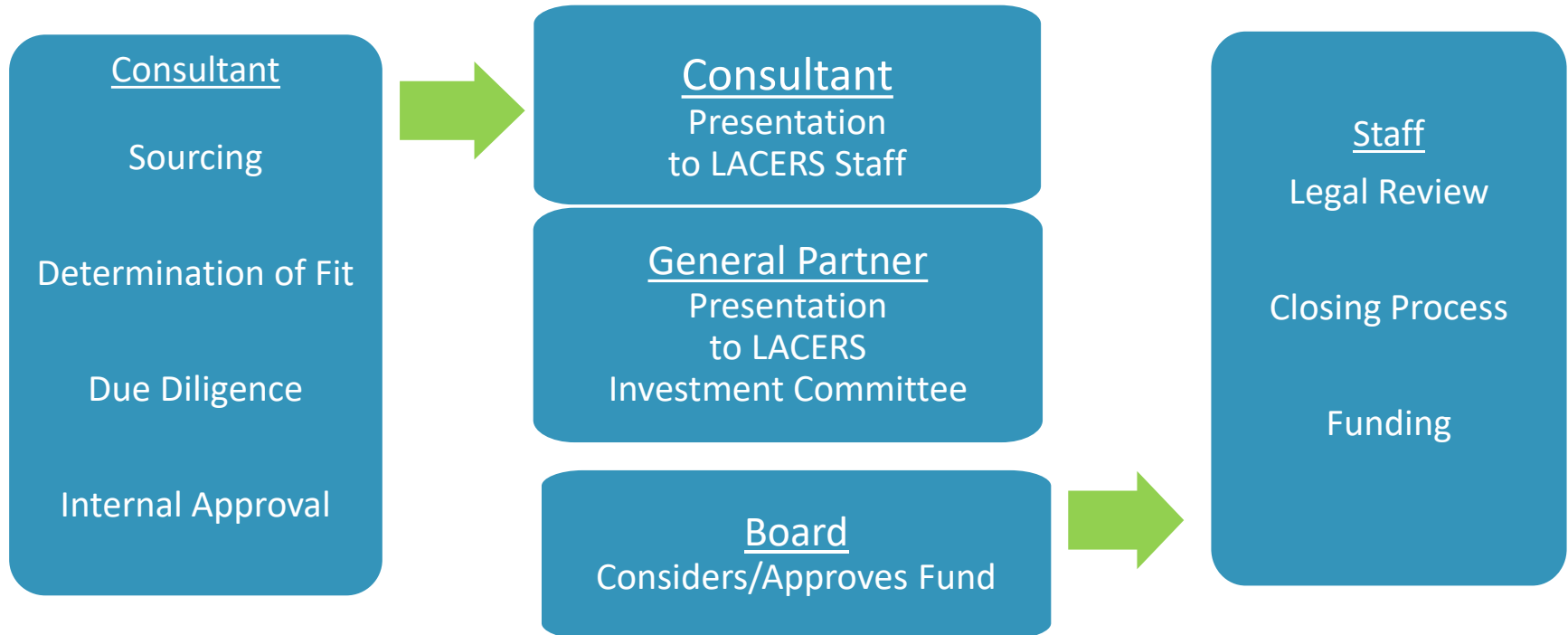


Institutional Funds	<ul style="list-style-type: none">• First-, Second-, and Third-time institutional fund
Maximum Fund Size	<ul style="list-style-type: none">• \$2 billion
Formation Date	<ul style="list-style-type: none">• Six months if a spinout of a majority of key senior professionals; otherwise, one year
Track Record	<ul style="list-style-type: none">• Five (5) year verifiable record of firm's key individuals; Attribution from prior funds of key individuals or team acceptable, subject to verification
Firm Ownership	<ul style="list-style-type: none">• Majority owned by principals and/or employees
Limited Partner Concentration	<ul style="list-style-type: none">• No LP can represent more than 30% of the total Fund's committed capital. Excludes co-investments or sidecar investment vehicles.
Minimum Fund Size	<ul style="list-style-type: none">• \$150 million. Excludes co-investments or sidecar investment vehicles.
Maximum LACERS Commitment	<ul style="list-style-type: none">• Lower of 10% of projected fund size or \$30 million; Second- and Third-time Funds: Lower of 20% or \$40 million.

Private Equity Fund Selection Process



Real Estate Fund Selection Process





LACERS Emerging Manager Symposium

PROPRIETARY & CONFIDENTIAL

October 2021



The Townsend Group, an Aon Company

Cleveland | Chicago | San Francisco | Toronto | London | Hong Kong

The entire contents of this presentation are CONFIDENTIAL and are intended for the sole and limited use of the Qualified Purchaser to whom it is distributed. Securities offered through AonSecurities LLC, member FINRA/SIPC

Townsend has been LACERS' Real Estate Consultant since 2014.

As LACERS' consultant, Townsend's responsibilities include conducting due diligence on real estate fund managers and evaluating portfolio fit.

Townsend's dedicated due diligence team leads manager research efforts, while Townsend's assigned LACERS Client Team is responsible for determining portfolio fit and making recommendations to LACERS Staff, Investment Committee and Board.

Townsend Due Diligence Process

SCREENING	UNDERWRITING	RECOMMENDATION
<p>Documents Required</p> <ul style="list-style-type: none"> ▪ Offering Materials ▪ Initial Due Diligence Questionnaire ▪ Fund-Level Questionnaire for prior investment performance <p>Process Description</p> <ul style="list-style-type: none"> ▪ Offering materials are received and the investment opportunity is registered in the firm-wide database ▪ The manager is sent an Initial Online Due Diligence questionnaire to complete, which is then uploaded to the database ▪ The investment opportunity is reviewed to determine whether it is consistent with Townsend’s view of the best investment ideas and whether there is client interest for the general strategy ▪ This may entail an initial meeting with the manager, whether by telephone or in person, to gather more information 	<p>Documents Required</p> <ul style="list-style-type: none"> ▪ Comprehensive Due Diligence Questionnaire ▪ Further information as deemed necessary by underwriting team <p>Process Description</p> <ul style="list-style-type: none"> ▪ Should the opportunity satisfy our initial screening criteria, an underwriting team is assigned and comprehensive due diligence is conducted ▪ During the due diligence process, Townsend internally shares all notes in order to better determine suitability for particular client portfolios, even if the investment theme is not broadly recommended ▪ Offerings that do not satisfy our screening criteria are tracked for performance and management team updates ▪ Performance data submissions are required so the investment opportunity can be continuously vetted 	<p>Documents Required</p> <ul style="list-style-type: none"> ▪ Further information as deemed necessary by Investment Committee <p>Process Description</p> <ul style="list-style-type: none"> ▪ If due diligence confirms the suitability of the investment, a recommendation is presented to and vetted by Townsend’s Investment Committee ▪ The Investment Committee oversees all investments made for discretionary clients and recommendations to advisory clients ▪ The Investment Committee may approve or reject an investment, or request that additional due diligence be conducted ▪ If approved, the manager will be immediately contacted by a Townsend Consultant or Portfolio Manager

Emerging Manager Sourcing Process

Emerging Manager Sourcing

- Townsend focuses on identifying emerging managers during its sourcing and monitoring process.
 - Network and establish new relationships through regular sourcing channels, outreach and conference attendance.
 - Seek new opportunities that align with Townsend View of the World.
 - Uncover experienced niche operating partners interested in raising third-party capital.
 - Oversight and management of dedicated Emerging Manager programs across the firm.
 - Maintain active pipeline of Emerging Manager candidates.
 - Actively vetting new owner/operators as potential Emerging Manager candidates.

LACERS Emerging Manager Efforts

- Since 2015, LACERS has made fourteen non-core fund commitments recommended by Townsend.
 - Out of these commitments, four (~29%) were to funds sponsored by emerging managers.
- In 2021, LACERS updated its Emerging Manager Policy to the following:
 - The fund size may not be larger than \$2 billion.
 - First, second or third institutional fund for a given General Partner.
 - The firm must have been in existence for a minimum of one year (six months if all senior staff come from an established manager as part of a spin-out).
 - The team must have a minimum track record of five years.
 - No person or entity, other than the principals and/or employees of the firm, shall own more than forty-nine percent (49%) interest of the firm.
 - No Limited Partner can represent more than 30% of the total Fund's capital.
 - The fund shall have a minimum fund size of \$150 million in committed capital inclusive of LACERS pending commitment.
 - For first-time institutional funds, LACERS commitment shall not exceed 10% of the projected final closing fund size or \$30 million, whichever is lower (20% or \$40 million for second- and third-time institutional funds).



Chae Hong | Partner

The Townsend Group, an Aon Company

425 Market St. | Suite 2800 | San Francisco, CA 94105



Felix Fels | Vice President

The Townsend Group, an Aon Company

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Jamari Omene-Smith | Analyst

The Townsend Group, an Aon Company

425 Market St. | Suite 2800 | San Francisco, CA 94105

Townsend has a single point of contact for new investment ideas to ensure all managers have equal access; regardless of platform size or length of track record.

All offering materials and updated information should be submitted to:

townsendduediligence@aon.com

Disclosures

This presentation (the “Presentation”) is being furnished on a confidential basis to a limited number of sophisticated individuals meeting the definition of a Qualified Purchaser under the Investment Advisors Act of 1940 for informational and discussion purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase any security.

This document has been prepared solely for informational purposes and is not to be construed as investment advice or an offer or solicitation for the purchase or sale of any financial instrument. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of preparation, The Townsend Group makes no representation that it is accurate or complete. Some information contained herein has been obtained from third-party sources that are believed to be reliable. The Townsend Group makes no representations as to the accuracy or the completeness of such information and has no obligation to revise or update any statement herein for any reason. Any opinions are subject to change without notice and may differ or be contrary to opinions expressed by other divisions of The Townsend Group as a result of using different assumptions and criteria. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

Statements contained in this Presentation that are not historical facts and are based on current expectations, estimates, projections, opinions and beliefs of the general partner of the Fund and upon materials provided by underlying investment funds, which are not independently verified by the general partner. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Additionally, this Presentation contains “forward-looking statements.” Actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

Material market or economic conditions may have had an effect on the results portrayed.

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There can be no assurance that any account will achieve results comparable to those presented. Past performance is not indicative of future results.

Townsend is a wholly owned, indirect subsidiary of Aon plc.

Disclosures and Definitions



GENERAL DISCLOSURES

There can be no assurance that any account will achieve results comparable to those presented. Past performance is not indicative of future results. Investing involves risk, including possible loss of principal.

Returns reflect the equal-weighted returns calculated during the periods indicated. Note: If including Core, this is value-weighted. In addition, the valuations reflect various assumptions, including assumptions of actual unrealized value existing in such investments at the time of valuation. As a result of portfolio customization/blending and other factors, actual investments made for your account may differ substantially from the investments of portfolios comprising any indices or composites presented.

Due to the customized nature of Townsend's client portfolios, the performance stated may be considered "hypothetical" as it does not reflect the experience of individual client portfolios, but rather aggregate client positions in the stated investment strategy.

NON REGULATORY ASSETS UNDER MANAGEMENT

As March 31, 2021, Townsend had assets under management of approximately \$19.9 billion. When calculating assets under management, Townsend aggregates net asset values and unfunded commitments on a quarterly basis. Townsend relies on third parties to provide asset valuations, which typically takes in excess of 90 days after the quarter end. Therefore, assets under management have been calculated using March 31, 2021 figures where available but may also include December 31, 2020 figures. Assets under management are calculated quarterly and includes discretionary assets under management and non-discretionary client assets where the client's contractual arrangement provides the client with the ability to opt out of or into particular transactions, or provides other ancillary control rights over investment decision-making (a/k/a "quasi-discretionary"). Regulatory AUM is calculated annually and can be made available upon request.

ADVISED ASSETS

As of March 31, 2021, Townsend provided advisory services to clients who had real estate/real asset allocations exceeding \$143.8 billion. Advised assets includes real estate and real asset allocation as reported by our clients for whom Townsend provides multiple advisory services—including strategic and underwriting advice for the entire portfolio. Advised assets are based on totals reported by each client to Townsend or derived from publicly available information. Advised assets are calculated quarterly. Select clients report less frequently than quarterly in which case we roll forward prior quarter totals

TREA STRATEGIES (NON-CORE) employ a global non-core multi strategy approach with 50% or more of the investments invested in non primary fund investments such as co-investments, joint ventures, secondaries and clubs. Strategies are diversified by geography, sector, property type, manager and vintage year.

CORE-PLUS STRATEGIES (CORE) employ a global core/core plus multi strategy approach investing in primary funds, joint ventures, co-investments, secondaries, direct investments, debt strategies and REITs. Strategies are diversified by geography, sector, property type, manager and vintage year.

SEPARATE ACCOUNTS includes all Townsend active discretionary accounts which invest in a variety of investment styles and structures.

TREA STRATEGIES

Townsend's TREA Strategies (Non-Core) employ a global non-core multi strategy approach with 50% or more of the investments invested in non primary fund investments such as co-investments, joint ventures, secondaries and clubs. Strategies are diversified by geography, sector, property type, manager and vintage year.

Global Opportunistic Strategy:

Townsend's 2007 vintage TREA Program was comprised of one closed end single limited partner vehicle (Cayuga Lake Fund, L.P.).

Global Value-Add Strategy:

Townsend's 2007 vintage TREA Program was comprised of one closed end single limited partner vehicle (Seneca Lake Fund L.P.).

Townsend's 2008-10-11 vintage TREA Program was comprised of one closed end single limited partner vehicle (Lake Tahoe, L.P.) and two commingled funds (Penn Square Global Real Estate Fund II, L.P. and Townsend Select Opportunities Fund, L.P.).

Townsend's 2012 vintage TREA Program was comprised of one closed end single limited partner vehicle (Lake Tahoe, II, L.P.) and one commingled fund (Townsend Real Estate Alpha Fund, L.P.).

Townsend's 2015 vintage TREA Program was comprised of one closed end single limited partner vehicle (Lake Tahoe, III, L.P.) and one commingled fund (Townsend Real Estate Alpha Fund II, L.P.).

Townsend's 2018 vintage TREA Program was comprised of one closed end single limited partner vehicle (Lake Tahoe, IV, L.P.) and one commingled fund (Townsend Real Estate Alpha Fund III, L.P.).

Note: Investment level net IRR's and equity multiples are reported. Net IRR is the net return earned by an investor over a particular time frame, including the performance of both realized and unrealized investments, at fair value. The Net IRR is based upon daily investor level cash flows, current quarter net asset value as hypothetical liquidation mark, and is after the deduction of fees. Investment performance data is reported to Townsend on a quarterly basis by the underlying investment manager. The value of unrealized investments is subject to change.

Net Investment Multiple: Based upon daily investor level cash flows. Calculated as $(\text{Since Inception Distributions} + \text{Since Inception Withdrawals} + \text{Net Asset Value}) / \text{Paid in Capital}$.

The Townsend Group's Investment Committee (IC) collaboratively makes all strategic investment decisions affecting Townsend's client portfolios.

Global Alternatives Platform

\$277bn
of AUA¹

90+
Institutional Clients¹

\$15bn
of AUM¹



343
Professionals²

>3,400
Due Diligence Reports³

3.3
Staff to Client Ratio¹

All references to Aksia herein refer to Aksia LLC, together with its wholly owned subsidiaries (collectively, "Aksia").

¹As of July 31, 2021. Total AUA (inclusive of AUM) is defined as NAV plus unfunded commitments. Represents investments currently tracked and monitored by Aksia's Client Operations team. AUM includes fully discretionary accounts or accounts where the client retains veto authority.

²As of September 1, 2021.

³As of June 30, 2021.



Actively Source Opportunities

- Collect key manager diversity statistics from GPs regarding:
 - ownership
 - senior management
 - investment professional representation
- Support other public pension DEI efforts by attending sourcing conferences including:
 - NYS Emerging & DEI Conference
 - Texas ERS Emerging Manager Conference
 - Illinois TRS Emerging Manager Forum
 - Texas Teachers EM conference
 - IL SURS Emerging Manager conference



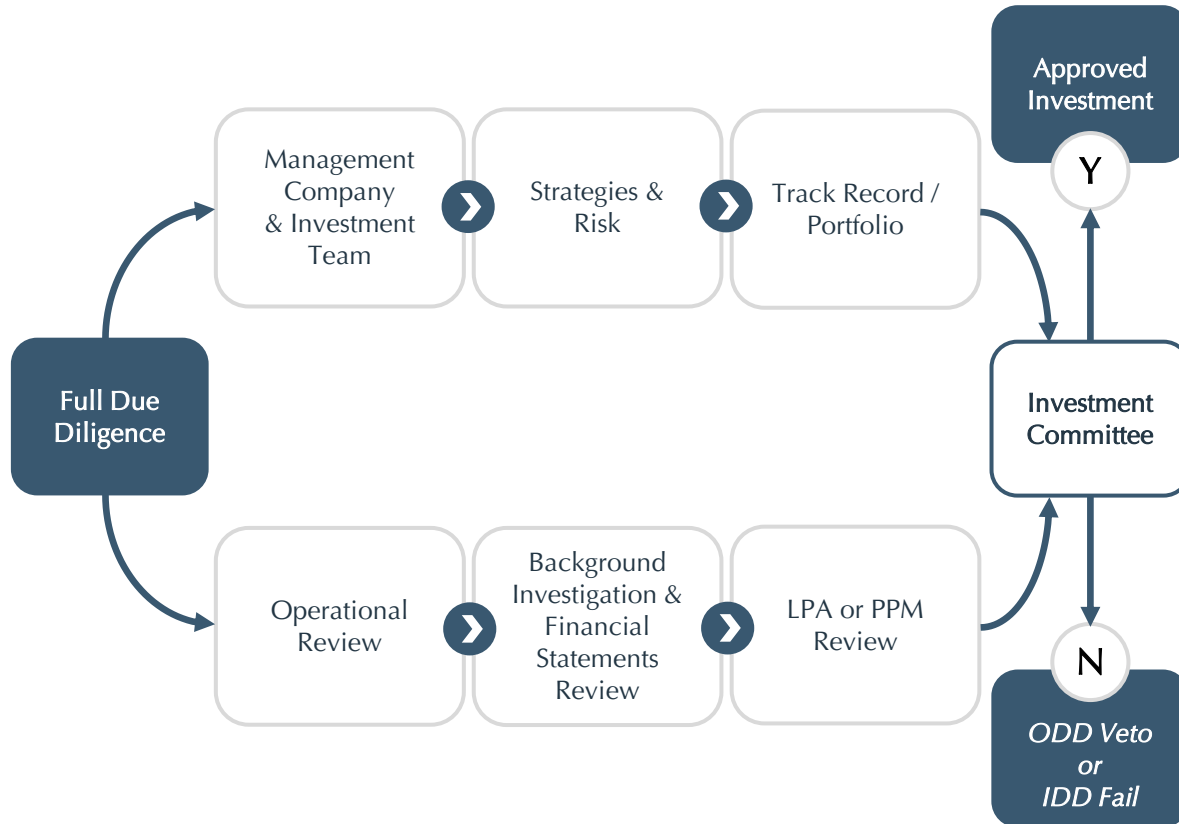
Global Networks Including

- Sponsor of SEO Alternative Investments Conference
- Signatory to United Nations Supported Principles for Responsible Investment (UN PRI)
- Advisory board participant of RFK Compass Human Rights
- Participate in the Alternative Investments Forum (“AIF”) annual Women Investors’ Forums
- Participate in the GSM EM, Koried, and AAAIM Conferences
- Diverse Managers Session with Institutional Limited Partners Association (ILPA)

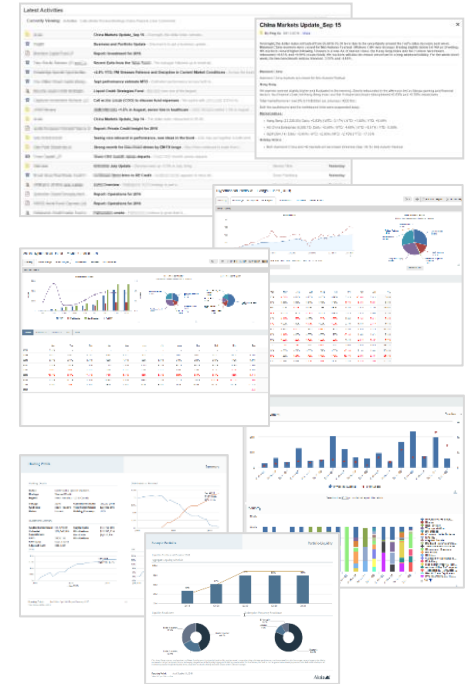


Leadership within Industry

- Hosted annual Aksia PC Emerging / Diverse Manager Forums
- Participated in an LP virtual roundtable focused on managing diverse investment programs
- Board representation on the Robert Toigo Foundation, Association of Asian American Investment Managers (AAAIM) and RFK Compass
- Supporters of National Association of Security Professionals (NASP) and NASP FAST Track Program
- Private Equity Women Investor Network (PE WIN)
- 100 Women in Finance



Post Investment Monitoring¹



- Performance
- Portfolio Risks
- Media Coverage
- Aksia Questionnaires²

Illustration is for a primary fund investment.

¹Subject to manager cooperation.

²Questionnaires are not available for all asset classes.



Portfolio Advisory Team

- LACERS' staff and advisory team have frequent discussions regarding investments with specific emerging managers
- Inclusion of emerging managers is a consideration during program design, portfolio planning and is a stand-alone strategic initiative
- LACERS has a "no less than 10%" allocation goal to emerging managers; Aksia designates a portion of each year's pacing and pipeline towards meeting LACERS' emerging manager policy goals



Research

- Research teams both source and conduct investment/operational due diligence on emerging managers
- Due diligence is conducted both on-spec and at the request of LACERS' staff
- Aksia currently has over 300 emerging private market managers (i.e., early business stage firms with first and/or second institutional funds) in its network



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Jeffrey Goldberger
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subject: EM Symposium

Visit us at: www.lacers.org