

mwbe

Minority- and Women-Owned Business Enterprise



2021-2022 Fiscal Year

Asset Management and
Financial Institution Strategy Report

Thomas P. DiNapoli | Office of the New York State Comptroller



History of the MWBE Legislation

The New York State Minority- and Women-Owned Business Enterprise (MWBE) Asset Management and Financial Institution Strategy (Chapter 171, Laws of 2010*) was enacted to codify and replicate best practices for providing MWBEs that are asset managers, investment banks and financial and professional service providers with the opportunity to offer services to fiduciary-controlled entities established by New York State law.* The law authorized the State Comptroller, as the Trustee of the New York State Common Retirement Fund (CRF or the Fund), and other fiduciary-controlled entities (i.e., the New York State Teachers' Retirement System (NYSTRS), the New York State Insurance Fund (NYSIF) and the New York State Deferred Compensation Plan (NYSDCP)) to establish an MWBE Asset Management and Financial Institution Strategy (the Strategy). State Comptroller Thomas P. DiNapoli has formulated and implemented the Strategy in accordance with the law.

Under the Strategy, the Fund has developed guidelines for the certification of MWBE firms that are conducting investment-related business with the Fund or seeking to do so. The guidelines, which were adopted December 13, 2010, are detailed in this document. The Fund, in conjunction with NYSTRS and NYSIF, is continuing to develop and update a database of these MWBEs and will issue periodic reports on the success of the Strategy. Additionally, the Fund works closely with NYSTRS and NYSIF to advertise the Strategy and coordinate conferences for MWBE firms to learn about business opportunities with fiduciary-controlled entities.

In accordance with the Strategy, the Fund submits this report to the Governor, the Legislature and the Chief Diversity Officer of the State of New York. The data included in this report reflects the Fund's utilization of MWBEs as of March 31, 2022.

* For the summary and bill text of this Chapter, see S.6888-C (Hassell-Thompson) / A.9976-C (Peoples-Stokes) from the 2009-10 New York State Legislative Session, available at https://nyassembly.gov/leg/?default_fld=&leg_video=&bn=S06888&term=2009&Summary=Y&Text=Y.

Table of Contents

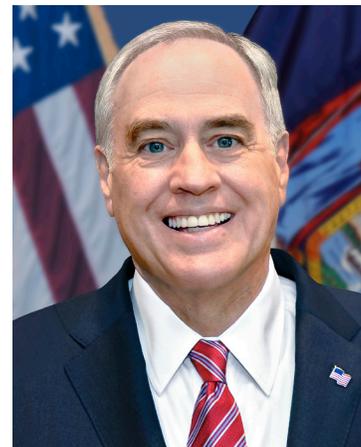
INTRODUCTION	5
A Message from Comptroller Thomas P. DiNapoli	7
A Message from Chief Investment Officer Anastasia Titarchuk	8
A Message from Director of Emerging Managers Anyori (AJ) Hernandez	9
Overview of the New York State Common Retirement Fund	10
SUMMARY/MWBE PARTICIPATION	11
Overview of MWBE Participation	13
Asset Class Total Investments	14
MWBE Participation by Asset Class, 2021 & 2022	15
MWBE Certification Process	17
Guidelines for Certification, Reporting and Cooperation with Other Fiduciary-Controlled Entities	18
DETAIL/MWBE PARTICIPANTS	27
Asset Class Investments and MWBE Participation	29
Public Equities	30
Fixed Income	36
Private Equity	37
Real Estate & Real Assets	42
Absolute Return Strategy	45
Opportunistic Strategy and Credit Investments	46
Broker/Dealers	47
Service Providers	48
SUPPLEMENTAL INFORMATION	49
Emerging Manager Program	51
Emerging Manager Program Partners	53
Annual Emerging Manager & MWBE Conference	54

Introduction

A Message from Comptroller Thomas P. DiNapoli

May 2022

This annual report on the Minority- and Women-Owned Business Enterprise (MWBE) Asset Management and Financial Institution Strategy (Strategy) for the fiscal year ended March 31, 2022 reflects the continuing dedication of the New York State Common Retirement Fund (Fund) to this important initiative. As Trustee of the Fund, which is one of the largest public pension plans in the United States, I am proud of our creative implementation of the Strategy and of its success in helping advance retirement security for over 1.1 million New York State & Local Retirement System (NYSLRS) members and pensioners.



Since I became State Comptroller in 2007, I have worked with Fund management and staff to incorporate the principles of diversity and inclusion in all aspects of the Common Retirement Fund's (CRF) decision-making and business operations. Our Emerging Manager Program, which helps the Fund build relationships with new, small and diverse investment firms, accessing fresh talent and new ideas, represents one key element of the Strategy. As the Program has grown steadily and been extended across all asset classes, it has repeatedly demonstrated its value, forging enduring partnerships and earning strong returns for the Fund.

Highlights of the past fiscal year for the MWBE Strategy include: a series of new commitments in our Credit Asset class; the graduation of two former emerging managers in Global Equities, Lisanti Capital Growth and ARGA Investment Management, to full responsibilities in our core portfolio; and an impressive 20 percent growth in Private Equity. Overall, the Fund now has approximately \$31 billion invested with or committed to MWBEs, representing nearly 22 percent of all CRF investments in the hands of outside managers.

In accordance with the MWBE Strategy, the New York State Common Retirement Fund regards the identification of talented investment professionals as a continuous process. Our annual Emerging Manager & MWBE Conference enables the Fund to connect with hundreds of new and diverse managers, analysts and advisors each year and to offer a detailed explanation of how to do business with the Fund. At that Conference and throughout the year, we are supported and sustained by our relationships with some of the leading advocates for diversity and inclusion in the financial arena. These include the National Association of Investment Companies (NAIC), the National Association of Securities Professionals (NASP), the New America Alliance (NAA), the Association of Asian American Investment Managers (AAAIM), SEO, AIF Global, Accelerate Investors, the Robert Toigo Foundation, the Investment Diversity Exchange and the Robert F. Kennedy Human Rights organization.

The Fund remains committed to the MWBE Strategy and the principles it embodies. Integrating diversity has played a key role in fueling the Fund's success, and we look forward to building on these accomplishments.

A Message from Chief Investment Officer Anastasia Titarchuk

The New York State Common Retirement Fund has long appreciated the value of diversity and inclusion—in its staff, in its external investment managers, in its advisors and in the leadership of its portfolio companies. Leveraging a wide range of diverse expertise and perspectives helps the Fund identify and evaluate promising opportunities, tailor its strategies in specific markets, and maintain a prudent approach to long-term investing.

Our State's pension fund is regarded as an industry leader in several areas, including funding status, sustainable investing, and support of diversity and inclusion. We treasure our reputation as an institutional investor that entrusts significant amounts of capital to diverse investment managers who demonstrate the ability to achieve superior risk-adjusted returns. In the 2021-22 fiscal year, we continued to invest in our Emerging Managers partnerships. We believe we are well positioned to grow our external partnerships and platform.



Our total assets managed by MWBE Managers grew from \$27 billion to approximately \$31 billion and our overall Emerging Manager program grew to \$9.5 billion. The successes we have achieved, and the investments made, offer validation of our approach. We plan to continue our sustained, patient pursuit of our objectives to expand our network and strengthen our relationships with high-performing MWBEs.

In accordance with the MWBE Asset Management and Financial Institution Strategy enacted in 2010, Comptroller DiNapoli and the Fund's staff have worked to develop a set of best practices to open doors to MWBEs in the financial services industry and encourage competition. The Strategy includes educating diverse market participants about opportunities to do business with the Fund, establishing relationships with highly qualified MWBEs in the investment arena, and building a pipeline of investments and service providers that enable the Fund to reap the benefits of diversity for the members, retirees and beneficiaries of the New York State & Local Retirement System.

During his tenure, Comptroller DiNapoli has continued to invest in our Emerging Manager Program. Our Emerging Manager investment staff and program partners operate across all asset classes. In February 2022, we hosted our second virtual Emerging Manager & MWBE Conference welcoming over 1,000 registrants. At our annual conference, diverse investment professionals engaged in conversation with Fund staff and partners to get a detailed, practical understanding of the Fund's process for selecting and monitoring new investments. Diversity and inclusion have been fundamental to our success, and we remain dedicated to strengthening the Common Retirement Fund by working in concert with talented and diverse financial services professionals.

A Message from Director of Emerging Managers Anyori (AJ) Hernandez

The Common Retirement Fund is committed to ensuring that MWBEs are afforded a fair and equal opportunity to participate in the Fund's asset management and in procurements of goods and services. This report provides information on the progress and success, during the last fiscal year, of the Fund's MWBE Strategy, including an analysis of MWBE participation compared to all asset managers and service providers.

The Fund's Emerging Manager (EM) Program is a vital component of our investment portfolio. The EM Program seeks to identify emerging managers, with a specific emphasis on smaller and newer asset managers, who can invest capital and provide strategic advice and infrastructure solutions to the Fund.

While the EM Program is distinct from the MWBE Strategy, many emerging managers also fit the criteria for MWBEs. These programs enhance the Fund's ability to partner and invest with experienced but newer firms that are expected to grow into larger, institutional, best-in-class investment managers. These firms provide the Fund with exposure to business sectors and opportunities that larger, more established asset managers may overlook.

The performance of our MWBE and EM programs demonstrates that the outlook for realizing attractive risk-adjusted returns with diverse managers is strong. I am proud to say that the Fund is one of the few State pension funds in the nation with emerging manager investments in all asset classes.

The Fund is pleased to report on the current status of our MWBE Strategy. We are committed to continuing and expanding our efforts in the future.



Overview of the New York State Common Retirement Fund

The New York State Comptroller is the administrative head of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System, which are collectively referred to as the New York State and Local Retirement System (the System) and is the Trustee of the New York State Common Retirement Fund (CRF or the Fund).

The Fund was established in 1967 to hold the assets of the System. The Division of Pension Investment and Cash Management within the Office of the State Comptroller (OSC) is responsible for the day-to-day management of the assets of the CRF.

The Fund's asset allocation policy was constructed to meet these objectives by achieving a maximum level of return consistent with policies on liquidity, diversification and investment risk.

The Fund diversifies the investment of its assets among various classes including domestic and international equities, fixed income, private equity, real estate and real assets, credit, and opportunistic/absolute return strategies.

The sound investment framework provided by the Fund's asset allocation and diversification policies has enabled it to generate competitive risk-adjusted returns and maintain a strong funded status throughout market cycles. The New York State Common Retirement Fund is the third largest public pension fund in the United States, with over 1.1 million members, retirees and beneficiaries.

Summary / MWBE Participation

Overview of MWBE Participation

In the 2021-22 fiscal year, the Fund recorded growth in its investments with MWBE managers. Despite lingering market disruptions from the global pandemic, the CRF has continued its steady deployment of capital to MWBE firms during this time. As detailed in the tables below, total investments and commitments of Fund capital to MWBE partners for 2021-22 was \$31 billion.

Increases in market value and new allocations over the amounts reported in the previous year were particularly strong in the Global Equities and Credit asset classes. Global Equities graduated Lisanti Capital Growth and ARGA Investment Management to the core portfolio. The Credit portfolio made additional commitments to Brightwood Capital Advisors and Francisco Partners, and new commitments to Altura Capital and Silver Rock Capital Partners. Gains were particularly robust in Private Equity portfolio, which grew by 20 percent. Additional commitments were made to Muller & Monroe, Clearlake Capital and Asia Alternatives Private Equity Partners.

Last year's growth reflected the cumulative effects of many years of sustained outreach to the MWBE investment community. These efforts have included promoting opportunities to conduct business with the Fund through our Annual Conference and other venues, expanding our network, building relationships and allowing firms that have successfully managed smaller investments to graduate to larger allocations.

While Fund management is very pleased with these results, our team is committed to retaining our long-term focus on steady, incremental growth, partnering with successful MWBE managers.

The 2021-22 results illustrate another important measure of the success of the Fund's MWBE Strategy. Of the \$142 billion of Fund assets that are actively and externally managed, 21.77 percent is managed by MWBEs.

Asset Class Total Investments

The charts on the following pages summarize the Fund's current utilization of MWBE asset managers and broker/dealers. The broker/dealers are reported based on "MWBEs in Pool," as they do not manage capital. They are tasked with executing trades on behalf of the Fund related to the assets that are traded in-house.

MWBE Participation in CRF Investments by Asset Class, Fiscal Year 2021-22

As of March 31, 2022. (Dollars in Millions – Estimated)*

Asset Classification	Total Assets Managed by MWBE Managers	Total Assets Managed by Substantially Owned and/or Operated MWBEs	Total MWBE Assets	CRF Total Estimated Market Value
Public Equities	\$ 7,652	\$ 4,816	\$ 12,468	\$ 132,448
Fixed Income	1,036	–	1,036	54,223
Private Equity	10,090	1,188	11,278	36,849
Real Estate & Real Assets	1,597	653	2,250	27,051
ARS & Opportunistic**	1,366	250	1,616	5,639
Credit	1,890	350	2,240	9,161
Cash & Other	–	–	–	4,987
TOTAL	\$ 23,631	\$ 7,257	\$ 30,888	\$ 270,358

As a Percentage of Total Fund Assets	Assets	MWBE Share
Active & Externally Managed	\$ 141,851	21.77%
Index or Internally Managed	128,507	–
TOTAL FUND	\$ 270,358	

Market values are primarily utilized for measurement of Total Assets above. For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

Total MWBE & Substantially Owned and/or Operated MWBE Relationships

	Emerging Investment Managers	Investment Managers	Broker-Dealers	Law Firms	Consultants	Total
Total MWBE Relationships	89	27	6	6	1	129

All data in these tables related to MWBEs refers to enterprises that have been formally certified as MWBEs in accordance with the process established by the Comptroller, which is detailed on [page 17] below.

* March 31, 2022 numbers are based upon unaudited, estimated values and may not reflect actual fiscal year-end results.

** Absolute Return Strategy (ARS) & Opportunistic became a combined asset class in 2021. Reported separately prior to 2021.

MWBE Participation by Asset Class, 2021 & 2022

Year Over Year Change

(Dollars in Millions – Estimated)*

Asset Classification	March 2021	March 2022	Percentage Change*
MWBE ASSETS			
Public Equities	\$ 10,826	\$ 12,468	15%
Fixed Income	1,363	1,036	-24%
Private Equity	9,428	11,278	20%
Real Estate & Real Assets	2,650	2,250	-15%
ARS & Opportunistic**	1,817	1,616	-11%
Credit	1,200	2,240	87%
Total MWBE	\$ 27,284	\$ 30,888	13%
MWBE Share of Active & Externally Managed	21.5%	21.77%	
FUND ASSETS			
Total Fund Active & Externally Managed	\$ 127,030	\$ 141,851	
Total Fund Internally Managed or Indexed	127,843	128,507	
TOTAL FUND	\$ 254,873*	\$ 270,358***	

Market values are primarily utilized for measurement of asset class values above. For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

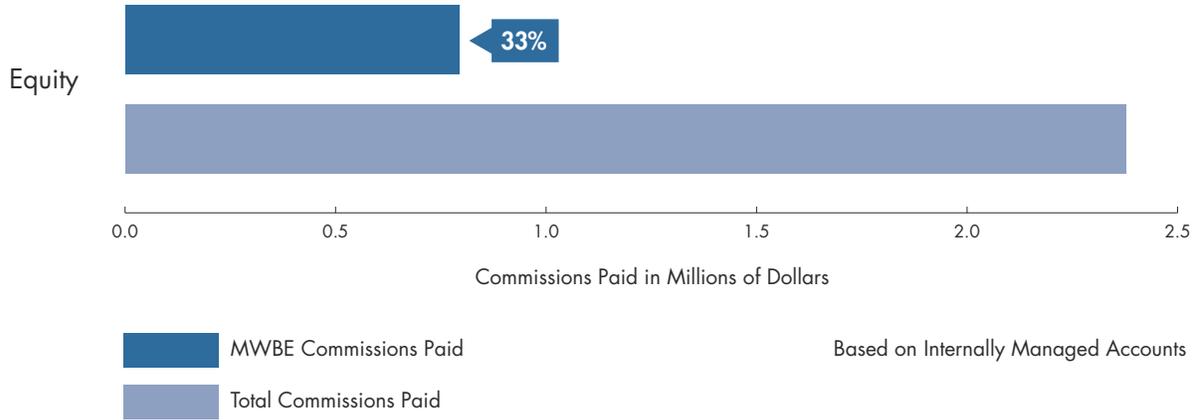
* Percentage changes in Fixed Income, Real Estate & Real Assets and ARS & Opportunistic, reflect strategic portfolio changes.

** Absolute Return Strategy (ARS) & Opportunistic became a combined asset class in 2021. Reported separately prior to 2021.

*** March 31, 2022 numbers are based upon unaudited, estimated values and may not reflect actual fiscal year-end results.

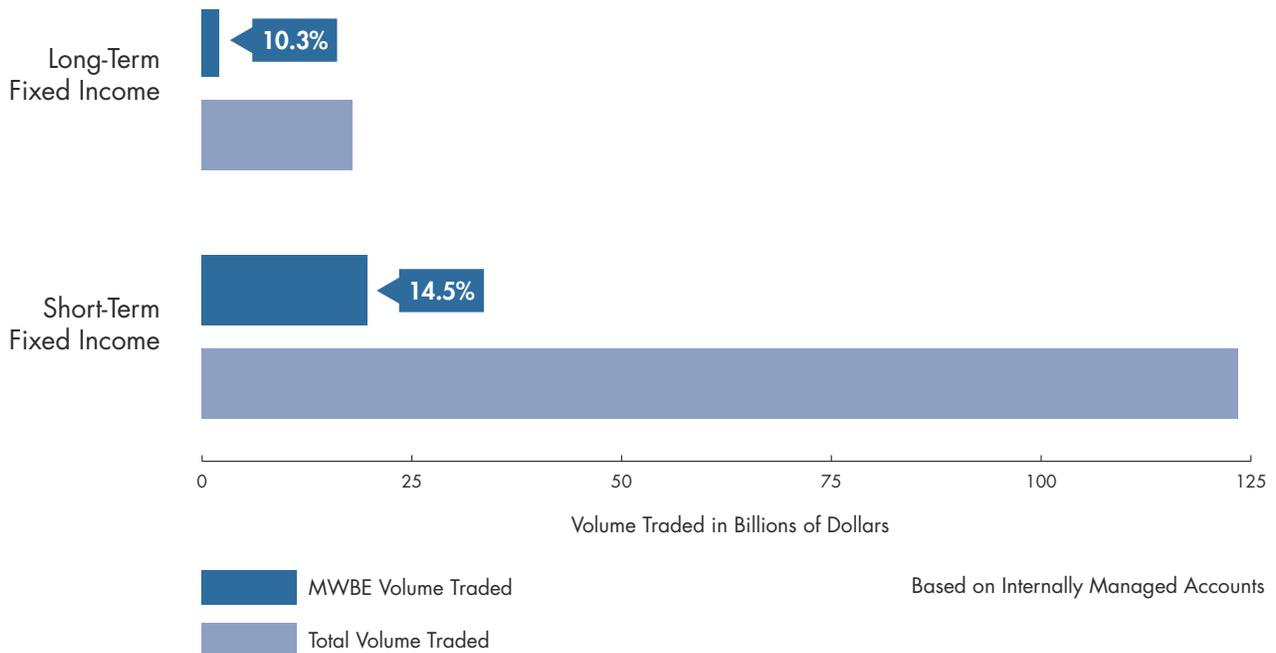
Broker/Dealer Commissions and Volume Traded – Equities

Broker/Dealers (Equity)	MWBEs in Pool	Non-MWBEs in Pool	MWBE Commissions Paid	Non-MWBE Commissions Paid	MWBE Share
Fiscal Year 2021-22	5	13	\$ 793,678	\$ 1,583,652	33%



Broker/Dealer Commissions and Volume Traded – Fixed Income

Asset Classification	MWBEs in Pool*	Non-MWBEs in Pool	MWBE Volume Traded	Non-MWBE Volume Traded	MWBE Share
Broker/Dealers (Long-Term Fixed Income)	3	24	\$ 2,022,761,000	\$ 17,685,158,872	10.3%
Broker/Dealers (Short-Term Fixed Income)	3	21	\$ 17,946,952,000	\$ 105,520,707,000	14.5%



* These two categories are not mutually exclusive.

MWBE Certification Process

The Fund has retained Lenox Park Solutions, an MWBE, to conduct an annual MWBE certification review process of firms doing business with the Fund. As part of its certification review process, Lenox Park surveys the Fund's current network of more than 400 asset managers, financial institutions and financial and professional service contractors to determine which firms qualify as MWBEs. The criteria under which a firm may qualify as an MWBE are detailed below.

Traditional MWBE

The firm is at least 51 percent owned by one or more minority group members, or by one or more women, in each case, who have significant experience in the relevant area.

Substantially Owned and/or Operated MWBE

The firm is substantially owned and/or operated by women or minority group members who have significant experience in the relevant area.

A firm qualifies as a “substantially owned or operated” MWBE if the firm is at least 33 percent owned and/or operated (via senior managers) by members of minority groups or women, provided that the firm is at least 25 percent owned by members of minority groups or women.

Through the annual certification review process, the Fund, together with NYSTRS and NYSIF, will continue to develop and update a report of firms certified under the above criteria as MWBEs. In a manner consistent with their fiduciary responsibilities, the Fund, NYSTRS and NYSIF have closely coordinated the adoption and management of the Strategy in order to further public awareness, outreach and expansion of business opportunities for MWBEs. As a result, MWBEs are able to promote their services more seamlessly to these entities in New York State.

This year, Lenox Park Solutions sent surveys to over 400 firms that provide a variety of services to the Fund. As of May 17, 2022, Lenox Park had received responses from over 75 percent of all vendors.

Guidelines for Certification, Reporting and Cooperation with Other Fiduciary-Controlled Entities

I. Purpose

In accordance with subdivisions 4, 5, 6, 7, 8 and 9 of Section 176 of the Retirement and Social Security Law and Section 423-c of the Retirement and Social Security Law, the State Comptroller, acting as Trustee of the Common Retirement Fund, has chosen to establish an MWBE Asset Management and Financial Institution Strategy (“Strategy”) aimed at increasing the utilization of MWBE Asset Managers, MWBE Financial Institutions and MWBE Financial and Professional Service Firms. The Strategy shall include any or all of the following, to the extent they are in accordance with and subject to the State Comptroller’s fiduciary duties and obligations as Trustee of the Common Retirement Fund and to the members, retirees and beneficiaries of such Fund and such other investment limitations as may be prescribed by the Retirement and Social Security Law:

- A.** Investing assets of the Common Retirement Fund with MWBE Asset Managers;
- B.** Subject to Best Execution:
 - 1.** Conducting trades of public equity securities with MWBE Financial Institutions; and
 - 2.** Conducting trades of fixed-income securities with MWBE Financial Institutions.
- C.** Allocating investments of assets of the Common Retirement Fund either through:
 - 1.** Direct investments in the equities and debt securities of MWBEs; or
 - 2.** Indirectly through special programs involving MWBE Asset Managers; and
- D.** Awarding contracts for accounting, banking, financial advisory, insurance, legal, research, valuation and other financial and professional services to MWBE Financial Institutions and other MWBE Professional Service Firms.

II. Definitions

For the purposes of these guidelines, the following terms shall have the meanings assigned below:

- A. The terms “**Asset Manager**” and “**Asset Management**” shall mean the person, or activity by such person, who provides a comprehensive and structured approach to short-term and long-term management of the funds of the Common Retirement Fund.
- B. The term “**Best Execution**” shall refer to the obligation of an entity that purchases or sells publicly-traded securities to ensure the optimal mix of price improvement (getting a better price than is currently quoted), speed and likelihood of execution.
- C. The terms “**Broker**,” “**Broker Dealer**” and “**Brokerage**” shall mean an individual or firm, registered in accord with state or federal law, who acts as an intermediary between a buyer and seller.
- D. The term “**Business Enterprise**” shall include, without limitation:
 - 1. A sole proprietorship;
 - 2. A partnership;
 - 3. A limited partnership;
 - 4. A limited liability partnership;
 - 5. A limited liability company;
 - 6. A corporation; or
 - 7. Another similar entity whether domestic or foreign.
- E. The term “**MWBE Asset Manager**” shall mean:
 - 1. An Asset Manager in any of the following asset classes:
 - a. Public Equity or Fixed Income Securities;
 - b. Absolute Return Strategies;
 - c. Fund of Absolute Return Strategies;
 - d. Private Equity (including Venture Capital);
 - e. Fund of Private Equity funds;
 - f. Real Estate Investment Funds;
 - g. Fund of Real Estate Funds; or
 - h. Any other asset class for which the Common Retirement Fund entity engages external asset managers; and
 - 2. An Asset Manager that is:
 - a. An MWBE;
 - b. A registered Investment Advisor or an Investment Advisor exempt from such registration; and
 - c. Certified pursuant to the provisions of subdivision 3 of Section 423-c of the Retirement and Social Security Law.

- F.** The term “**Minority Group Member**” shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups:
1. Black persons having origins in any of the Black African racial groups;
 2. Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American of either Indian or Hispanic origin, regardless of race;
 3. Native American or Alaskan native persons having origins in any of the original peoples of North America; or
 4. Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands.
- G.** The term “**MWBE**” for the purpose of engaging in business with the Common Retirement Fund, means:
1. A Business Enterprise:
 - a. That is at least 51 percent owned by one or more minority group members, or one or more women, in each case, who have significant experience in asset management, brokerage, other financial services or related professional services such as accounting, valuation or legal services; or
 - b. That is substantially owned and/or operated by women or minority group members who have significant experience in asset management, brokerage, other financial services or related professional services such as accounting, valuation or legal services; and
 2. A Business Enterprise:
 - a. In which such minority or women ownership or operation is real, substantial and continuing;
 - b. In which such minority or women ownership or operation has and exercises the authority to control independently the day-to-day business decisions of the enterprise;
 - c. Authorized to do business in this State; and
 - d. Certified by the State Comptroller pursuant to Section 423-c of the Retirement and Social Security Law.
- H.** The term “**Financial and Professional Services**” shall include, but not be limited to:
1. Banking;
 2. Financial Advisory;
 3. Financial Research;
 4. Insurance;
 5. Law; and
 6. Valuation.

- I. The term **“MWBE Financial Institution”** shall mean:
 1. As it relates to brokerage services, a registered broker dealer that is an MWBE certified pursuant to the provisions of this Part promulgated in accordance with subdivision 3 of Section 423-c of the Retirement and Social Security Law; and
 2. As it relates to any other financial services, an MWBE certified pursuant to the provisions of this Part promulgated in accordance with subdivision 3 of Section 423-c of the Retirement and Social Security Law that provides banking, financial advisory, insurance, financial research, valuation or other financial services.
- J. The term **“Other Fiduciary-Controlled Entities”** shall mean:
 1. The New York State Teachers’ Retirement System;
 2. The New York State Insurance Fund; and
 3. The New York State Deferred Compensation Plan.

III. Certification

The State Comptroller hereby establishes and adopts the following certification processes for the purpose of identifying and reporting on MWBEs performing investment-related services with or for the Common Retirement Fund: Asset Management, Brokerage, or other Financial or Professional Services as such terms are defined in Paragraph II, above.

- A.** Business Enterprises performing investment-related services with or for the Common Retirement Fund shall, upon request of the State Comptroller (or his or her agent), provide the following information:
 - 1.** A copy of financial form(s), if any, filed with the federal Securities and Exchange Commission, including, but not limited to, ADV and BD;
 - 2.** A copy of application forms and supporting documentation, if any, filed with the Division of Minority and Women's Business Development ("DMWBD") within the New York State Department of Economic Development and any subsequent certification issued by DMWBD of MWBE status;
 - 3.** A copy of any form(s) filed with any other state or federal entity for the purpose of seeking certification by such entity as an MWBE, along with any certification issued by such governmental entity of MWBE status; and
 - 4.** Any appropriate registration form setting forth such information as the State Comptroller within his or her discretion may require.
- B.** Additionally, Business Enterprises performing investment-related services with or for the Common Retirement Fund shall, upon request of the State Comptroller (or his or her agent), provide the following information relating to any position (held by an owner, officer, manager or employee of the Business Enterprise) that the State Comptroller, within his or her discretion, determines necessary, including, but not limited to, managing director, managing principal, principal, operating principal, chief financial officer, operating vice-president, vice-president, partner and owner, or equivalent positions, for the accurate identification of a Business Enterprise as:
 - 1.** 51 Percent Owned by MWBEs:
 - a.** Title;
 - b.** Position;
 - c.** Ownership percentage;
 - d.** History of ownership;
 - e.** History of ownership percentage;
 - f.** Ethnicity;
 - g.** Gender; and
 - h.** Length of service.

2. MWBEs Substantially Owned or Operated by Minorities and women:
 - a. Title;
 - b. Position;
 - c. Ownership percentage;
 - d. History of ownership;
 - e. History of ownership percentage;
 - f. Ethnicity;
 - g. Gender;
 - h. Length of service; and
 - i. The role of individual employees and whether such individual will be performing services with or for the Common Retirement Fund and if so, to what extent such performance will occur.
- C. Documentation. Such information shall be provided on a form developed by the State Comptroller (or his or her agent), and shall be certified as to accuracy by an Owner or Officer of the Business Enterprise, authorized by the business to make the representations contained thereon. If a Business Enterprise seeks confidential treatment of proprietary business information, such information must be clearly labeled as confidential, and denial of release thereof will occur in accordance with law. The State Comptroller shall make such inquiries as he or she deems appropriate to determine the accuracy of the information provided, including, but not limited to, potential field visits and/or other means of substantiation.
- D. Determination of MWBE status. Separate determinations of MWBE status shall be made for Business Enterprises pursuant to subdivisions 1 and 2 of this Paragraph.
 1. In determining that a Business Enterprise is at least 51 percent owned by one or more minority group members, or one or more women, the State Comptroller may rely on bonafide determinations of state or federal government entities or of the Other Fiduciary-Controlled Entities, or on certified filings with the federal Securities and Exchange Commission, in addition to the responses submitted by the Business Enterprise.
 2. In determining that a Business Enterprise is substantially owned and/or operated by women or minority group members, the State Comptroller interprets the term “substantially” as meaning at least 33 percent (ownership and/or operation). The 33 percent shall include at least 25 percent ownership by women or minority group members. Each individual counted in determining percentage of ownership or operation may only be counted once (e.g., an owner who is also a senior manager may not be counted as both).

- E.** Decertification. Any Business Enterprise previously certified as an MWBE which no longer meets the applicable certification criteria shall be decertified. All Business Enterprises certified as MWBEs must promptly inform the State Comptroller of changes in ownership, management and/or control that could impact the entity's MWBE certification.
- F.** Documentation of determination. In all cases, the State Comptroller shall maintain a written record of the reason(s) for his/her determination and subsequent certification or decertification of an entity's MWBE status.
- G.** Finality of determination. Determinations relating to MWBE status made under this Part promulgated pursuant to the provisions of subdivision 3 of Section 423-c of the Retirement and Social Security Law are made solely for identification and reporting and for no other purpose. The determination of the State Comptroller shall be final and not appealable. However, Business Enterprises that believe they should be certified as MWBEs are welcome to submit information demonstrating that they are eligible for such certification.
- H.** Submission of false information. Any individual who submits false information on behalf of a Business Enterprise, and/or any Business Enterprise that submits false information, may be barred from doing business with the Common Retirement Fund for a period of time to be determined by the State Comptroller based on the nature and extent of the false information. False submissions may also be reported to appropriate law enforcement entities.

IV. Reporting

Within 60 days of the end of each fiscal year, the State Comptroller shall report to the Governor, the Legislature and the Chief Diversity Officer of the State of New York on the participation of MWBE Asset Managers, MWBE Financial Institutions and MWBE Professional Service Providers in investment and brokerage transactions with, or as providers of services for, the Common Retirement Fund.

A. Such Report shall include:

1. A comparative analysis of such activity relative to such activity with all asset managers, financial institutions and professional service providers for the relevant period; and
2. Information on the progress and success of the efforts undertaken during such period to achieve the goals of the Strategy.

- B.** Such Report shall be simultaneously published on the website of the Common Retirement Fund for not less than 60 days following its release to the Governor, the Legislature and the Chief Diversity Officer of the State of New York.
- C.** Such Report shall separately document the utilization of:
 1. Entities that are at least 51 percent owned by one or more minority group members or women; and
 2. Entities that are substantially owned and/or operated by women or minority group members.

V. Cooperation with Other Fiduciary-Controlled Entities

- A. The State Comptroller may, at the request of any of the Other Fiduciary-Controlled Entities, utilize the certification process established in Paragraph III, above, for the purpose of identifying and reporting on those MWBE firms that provide to such Other Fiduciary-Controlled Entities Asset Management, Brokerage, or other Financial or Professional Services as such terms are defined in Paragraph II, above. In these circumstances, with the assistance of the Other Fiduciary-Controlled Entities, all references in Paragraph III, above, to the Common Retirement Fund shall be utilized by the State Comptroller to apply to the respective Other Fiduciary-Controlled Entity.
- B. The State Comptroller, or his or her agent, shall work with the Other Fiduciary-Controlled Entities to create a database of Business Enterprises certified as MWBEs pursuant to subdivision 3 of Section 423-c of the Retirement and Social Security Law.
- C. In addition to other advertising the existence of the Strategy so that MWBE Asset Managers, MWBE Financial Institutions and other MWBE Professional Service Firms are made aware of the opportunities made available pursuant to the Strategy, the Common Retirement Fund shall periodically, but not less than annually, hold a conference to advertise and promote the Strategy. Such conference shall be scheduled and coordinated to the extent reasonably practicable with the Other Fiduciary-Controlled Entities.
- D. The Common Retirement Fund shall meet periodically with the Other Fiduciary-Controlled Entities to discuss best practices and to consider changes to Strategy guidelines.

Detail / MWBE Participants

Asset Class Investments and MWBE Participation

The charts in this report summarize the Fund’s current utilization of MWBE asset managers and broker/dealers. The broker/dealers are reported based on “MWBEs in Pool,” as they do not manage capital. They are tasked with executing trades on behalf of the Fund related to the assets that are traded in-house.

Additionally, the identities of all MWBEs with which the Fund is currently doing business are listed in the following sections by asset class.

In 2021, ARS and Opportunistic portfolios were combined to create the OARS portfolio. Additionally, CRF launched a Credit asset class that will manage all “liquid” credit portfolios (i.e., high yield and other non-investment grade fixed income) and the “illiquid” credit funds from the Opportunistic portfolio. This allows all the non-investment grade credit to be managed together.

Participating Asset Classes

Public Equities

- Active U.S. Domestic Managers
- Active International Managers
- Active Emerging Markets Managers
- Active U.S. Domestic Manager of Managers
- Active Global Manager of Managers

Fixed Income

- Active Domestic Fixed Income, Externally Managed

Private Equity

- Direct Investments
- Manager of Managers
- Co-Investment Fund

Real Estate & Real Assets

- Direct Investments
- Emerging Manager Equity Joint Venture Program
- Manager of Managers

Opportunistic Investments & Absolute Return Strategy (OARS)

- Direct Investments
- Manager of Managers

Credit

- Direct Investments

Broker/Dealers

Service Providers

Public Equities

Active U.S. Domestic Managers

As of March 31, 2022.

The Fund has the following direct allocations with five MWBEs in the Active U.S. Domestic Public Equities asset class.

Firm	MWBE Status	M/W Ownership	Market Value
Brown Capital Management	African-American	100%	\$ 1,224,537,356
Channing Capital Management	African-American / Hispanic	97%	656,161,090
EARNEST Partners	African-American / Asian-American / Women	61%	1,290,535,201
Lisanti Capital Growth	Women	52%	274,899,986
Palisade Capital Management	Women	57%	650,638,707
Active U.S. Domestic Public Equities MWBE Total			\$ 4,096,772,340

Active International Managers

As of March 31, 2022.

The Fund has the following direct allocation with an MWBE in the Active International Public Equities asset class.

Firm	MWBE Status	M/W Ownership	Market Value
Ariel Investments	African-American / Women	75%	\$ 356,937,212
Active International Public Equity MWBE Total			\$ 359,937,212

Public Equities

Active Emerging Markets Managers

As of March 31, 2022.

The Fund has the following direct allocation to an MWBE in the Active Emerging Markets Public Equities asset class.

Firm	MWBE Status	M/W Ownership	Market Value
RockCreek Group	Asian-American / Women	62%	\$ 694,908,693
Active Emerging Markets Equity MWBE Total			\$ 694,908,693

Active Global Managers

As of March 31, 2022.

The Fund has the following direct allocations to three MWBEs in the Active Global Public Equities asset class.

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Market Value
Arga Investment Management	Asian-American	100%	\$ 290,168,808
Brandes Investment Partners	African-American / Asian-American / Hispanic / Women	43%	1,780,361,851
Generation Investment Management	Women	36%	2,400,904,728
Active Global Public Equity MWBE Total			\$ 4,471,435,387

Public Equities

Active U.S. Domestic Manager of Managers

As of March 31, 2022.

Leading Edge Investment Advisors (LEIA), an Emerging Manager Program Partner, has been an investment manager for the Fund since 2015.

Firm	MWBE Status	M/W Ownership	Market Value
Leading Edge Investment Advisors	Asian-American	100%	\$ 650,484,087
Manager of Managers, Leading Edge Total			\$ 650,484,087

Leading Edge Managed MWBE Investments*

Firm	MWBE Status	M/W Ownership	Market Value
Altravue Capital	African-American / Women	90%	\$ 66,693,567
Denali Advisors	African-American / Asian-American / Native American / Women	68%	87,083,158
Nicholas Investment Partners	Women	52%	76,656,147
Palisades Investment Partners	African-American	100%	70,673,949
Phocas Financial Corporation	African-American / Asian-American / Women	79%	84,977,671
Leading Edge MWBE Total			\$ 386,084,492

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Market Value
Granite Investment Partners	Asian-American / Hispanic / Women	33%	\$ 98,636,591
Leading Edge Substantially Owned and/or Operated MWBE Total			\$ 98,636,591

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Public Equities

Active Global Manager of Managers

As of March 31, 2022.

Xponance has been an investment manager for the Fund since 2004 and is an Emerging Manager Program Partner.

Direct Fund Investments

Firm	MWBE Status	M/W Ownership	Market Value
Xponance	African-American / Women	68%	\$ 1,118,405,056
Manager of Managers, Xponance Total			\$ 1,118,405,056

Xponance Managed MWBE Investments*

Firm	MWBE Status	M/W Ownership	Market Value
Arga Investment Management	Asian-American	100%	\$ 163,333,686
Foresight Global Investors	Asian-American	95%	169,306,934
Frontier Global Partners	Asian-American / Hispanic / Women	73%	157,116,555
Redwood Investments	Hispanic / Women	57%	158,284,233
Trinity Alps	Asian-American	100%	90,044,665
Xponance MWBE Total			\$ 738,086,073

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Market Value
Martin Investment Management	Women	40%	\$ 179,502,875
Xponance Substantially Owned and/or Operated MWBE Total			\$ 179,502,875

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Public Equities

Active Global Manager of Managers

As of March 31, 2022.

During 2020, Progress Investment Management made a strategic decision to wind down the firm's operations. The Fund worked to transition that portfolio from Progress to the RockCreek Group, an Emerging Manager Program partner since 2010.

Firm	MWBE Status	M/W Ownership	Market Value
RockCreek Group	Asian-American / Women	62%	\$ 739,742,882
Manager of Managers, RockCreek Global Equity Total			\$ 739,742,882

RockCreek Managed MWBE Investments*

Firm	MWBE Status	M/W Ownership	Market Value
Ativo Capital Management	African-American / Asian-American / Hispanic / Women	99%	\$ 132,056,579
Trinity Alps Capital	Asian-American	100%	127,595,920
RockCreek Global Equity MWBE Total			\$ 259,652,499

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Market Value
Qtron Investments	Asian-American	50%	\$ 122,587,462
Strategic Global Advisors	Women	40%	234,160,497
RockCreek Substantially Owned and/or Operated MWBE Total			\$ 356,747,959

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Public Equities

Active Global Manager of Managers

As of March 31, 2022.

The Fund has the following manager-of-managers relationship in Global Equities.

Firm	MWBE Status	M/W Ownership	Market Value
Goldman Sachs Asset Management	N/A	N/A	\$ 4,006,884,883
Manager of Managers, Goldman Sachs Asset Management (GSAM) Total			\$ 4,006,884,883

Goldman Sachs Asset Management Managed MWBE Investments*

Firm	MWBE Status	M/W Ownership	Market Value
Causeway Capital Management	Asian-American / Women	57%	\$ 384,161,513
GSAM MWBE Total			\$ 384,161,513

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Fixed Income

Active Domestic Fixed Income, Externally Managed

As of March 31, 2022.

The Fund has two direct allocations with MWBEs in the Fixed Income asset class.

Firm	MWBE Status	M/W Ownership	Market Value
Advent Capital	African-American	80%	\$ 479,591,641
New Century Advisors	Women	58%	556,479,553
Active Domestic Fixed Income MWBE Total			\$ 1,036,071,194

Private Equity

Direct Investments

As of March 31, 2022.

The Fund has direct allocations with 15 MWBEs in the Private Equity asset class, including both active and legacy commitments. Six MWBEs have both active and legacy allocations.

Active Allocations, Commitment Values

Firm	MWBE Status	M/W Ownership	Commitment
Armory Square Ventures	Asian-American	100%	\$ 10,000,000
Asia Alternatives Private Equity Partners	Asian-American/Women	60%	900,000,000
Avance Investment Partners	Hispanic	75%	250,000,000
Clearlake Capital Partners	Hispanic	51%	544,550,270
GenNx360 Capital Partners	African-American / Women	95%	150,000,000
ICV Partners	African-American / Asian-American	100%	75,000,000
Palladium Equity Partners	African-American / Asian-American / Hispanic / Women	62%	150,000,000
Private Equity MWBE Total			\$ 2,079,550,270

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Commitment
ACON Funds Management	Asian-American / Hispanic / Women	39%	\$ 267,778,794
Francisco Partners	Asian-American	35%	200,000,000
Primary Venture Partners	Asian-American	50%	90,000,000
Siris Capital Partners	African-American	50%	225,000,000
Vista Equity Partners	African-American / Asian-American / Women	45%	2,650,000,000
Private Equity Substantially Owned and/or Operated MWBE Total			\$ 3,432,778,794

For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

Private Equity

Direct Investments

As of March 31, 2022.

Legacy Allocations, Market Values

Firm	MWBE Status	M/W Ownership	Est. Market Value
Asia Alternatives Private Equity Partners	Asian-American/Women	60%	\$ 922,793,473
Brait	Women	100%	10,916,496
Clearlake Capital Partners	Hispanic	51%	107,944,576
Fairview Capital Partners	African-American / Women	100%	237,079,146
GenNx360 Capital Partners	African-American/ Women	95%	144,374,392
Levine Leichtman Capital Partners	Women	51%	4,960,338
Palladium Equity Partners	African-American / Asian-American / Hispanic / Women	62%	94,002,189
Vista Equity Partners	African-American / Asian-American / Women		2,331,303,502
Private Equity MWBE Total			\$ 3,853,374,112

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Est. Market Value
Primary Venture Partners	Asian-American	50%	\$ 162,987,938
Private Equity Substantially Owned and/or Operated MWBE Total			\$ 162,987,938

For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

Private Equity

Manager of Managers

As of March 31, 2022.

Since 2011, the Fund has made total commitments of up to \$740 million to Muller & Monroe, an Emerging Manager Program partner. After the 2011 & 2018 commitments were fully allocated in 2021, the Fund made an additional commitment of up to \$300 million to Muller & Monroe.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Committed Amount
Muller & Monroe	African-American / Women	51%	\$ 740,000,000
Manager of Managers, Muller & Monroe Total			\$ 740,000,000

Sub-Fund MWBE Investments*

Firm	MWBE Status	M/W Ownership	Committed Amount
Aldrich Capital Partners	Asian-American	100%	\$ 20,000,000
Argand Partners	Asian-American / Hispanic / Women	70%	20,000,000
Brightwood Capital	African-American	100%	15,000,000
Estancia Capital Partners	Asian-American / Hispanic	90%	40,000,000
HighBar Partners	Hispanic / Asian-American	100%	22,000,000
Luminate Capital Partners	Women	100%	20,000,000
Medina Capital	Hispanic	100%	15,000,000
NexPhase Capital	Asian-American	51%	40,000,000
RLJ Equity Partners	African-American	100%	22,000,000
Valor Equity Partners	Hispanic	90%	20,000,000
The Vistria Group	African-American	51%	60,000,000
Wavecrest Growth Partners	Asian-American	100%	40,000,000
Muller & Monroe MWBE Total			\$ 334,000,000

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Est. Market Value
Invictus Growth Partners	African-American	50%	\$ 15,000,000
Siris Capital Group	African-American	50%	20,000,000
Muller & Monroe Substantially Owned and/or Operated MWBE Total			\$ 35,000,000

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Private Equity

Manager of Managers

As of March 31, 2022.

Since 2009, the Fund has made total commitments of up to \$1.2 billion to HarbourVest Partners, an Emerging Manager Program partner, through four investment vehicles. After the 2009 and 2014 commitments were fully allocated in 2019, the Fund made additional commitments of up to \$700 million to two separate vehicles — one commitment of up to \$300 million and a Transition Annex Fund of up to \$400 million.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Committed Amount
HarbourVest Partners	None	N/A	\$ 1,200,000,000
Manager of Managers, Private Equity HarbourVest Partners Total			\$ 1,200,000,000

Sub-Fund MWBE Investments*

Firm	MWBE Status	M/W Ownership	Committed Amount
Clearlake Capital Partners	Hispanic	51%	\$ 30,000,000
Clearhaven Partners	Women	80%	4,700,000
DBL Partners	Women	97%	7,500,000
ICV Partners	African-American / Asian-American	100%	25,000,000
K1 Investment Management	Asian-American	100%	50,500,000
One Rock Capital Partners	Asian-American	51%	95,700,000
Reverence Capital Partners	Hispanic	65%	25,000,000
Sycamore Partners	African-American	51%	51,000,000
HarbourVest Partners MWBE Total			\$ 289,400,000

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Committed Amount
EagleTree Capital	Asian-American	50%	\$ 75,500,000
Grey Mountain Partners	Asian-American	50%	12,500,000
Knox Lane	Asian-American	33%	25,250,000
LightBay Capital Partners	Asian-American	50%	25,000,000
LongRidge Partners	Asian-American	50%	18,800,000
New Harbor Capital	Asian-American	41%	49,000,000
HarbourVest Partners Substantially Owned and/or Operated MWBE Total			\$ 206,050,000

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Private Equity

Manager of Managers

As of March 31, 2022.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Est. Market Value
JP Morgan	None	N/A	\$ 43,530,708
Manager of Managers, JP Morgan Total			\$ 43,530,708

Sub-Fund MWBE Investments*

Firm	MWBE Status	M/W Ownership	Est. Market Value
ICV Partners	African-American / Asian-American	100%	\$ 394,221
Levine Leichtman Capital Partners	Women	51%	51,299
Pharos Capital Partners	African-American	91%	2,566,861
RLJ Equity Partners	African-American	100%	9,341,780
JP Morgan MWBE Total			\$ 12,354,161

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Est. Market Value
Quaker Partners	Women	48%	\$ 1,123,688
JP Morgan Substantially Owned and/or Operated MWBE Total			\$ 1,123,688

The market values above represent commitments that were originally greater than \$450 million.

Co-Investment Funds

As of March 31, 2022.

In 2013, the Fund made a \$250 million commitment to Farol Asset Management, an Emerging Manager Program partner. In 2020, the Fund made an additional commitment of up to \$250 million for total commitments of up to \$500 million.

Firm	MWBE Status	M/W Ownership	Committed Amount
Farol Asset Management	African-American	75%	\$ 500,000,000
Co-Investment MWBE Total			\$ 500,000,000

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Real Estate & Real Assets

Direct Investments

As of March 31, 2022.

The Fund has direct allocations with four MWBEs in the Real Estate & Real Assets asset class.

Active Allocations, Commitment Values

Firm	MWBE Status	M/W Ownership	Committed Amounts
Grain Management	African-American	100%	\$ 550,000,000
Real Estate & Real Assets Direct Investments MWBE Total			\$ 550,000,000

Firm	MWBE Status	Substantially Owned and/or Operated MWBE Committed Amounts	Committed Amounts
Avanath Capital Management	African-American	42%	\$ 100,000,000
Ellis Partners	Women	50%	200,000,000
Jamestown LP	Women	38%	300,000,000
Real Estate & Real Assets Substantially Owned and/or Operated MWBE Total			\$ 600,000,000

Manager of Managers

As of March 31, 2022.

In 2019, the Fund made a \$300 million commitment to GCM Grosvenor, an Emerging Manager Program partner.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Committed Amounts
GCM Grosvenor	None	N/A	\$ 300,000,000
Manager of Managers, Real Estate GCM Grosvenor Total			\$ 300,000,000

Sub-Fund MWBE Investments*

Firm	MWBE Status	M/W Ownership	Committed Amounts
Brasa Capital Management	Hispanic	100%	\$ 38,286,000
Grandview Partners	African-American	56%	7,055,000
Hillcrest Finance	Asian-American / African-American / Women	95%	11,600,000
RailField Realty Partners	African-American	67%	8,800,000
Stillwater Asset Management	Women	100%	27,500,000
GCM Grosvenor MWBE Total			\$ 93,241,000

Firm	MWBE Status	Substantially Owned and/or Operated MWBE Committed Amounts	Committed Amounts
Locust Point Capital	Women	33%	\$ 8,900,000
Raith Capital Partners	Asian-American	48%	15,000,000
Real Estate GCM Grosvenor Substantially Owned and/or Operated MWBE Total			\$ 23,900,000

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Real Estate

Emerging Manager Equity Joint Venture Program

As of March 31, 2022.

In 2011, the Fund made a \$300 million commitment to Artemis Real Estate Partners, an Emerging Manager Program partner. An additional commitment of up to \$500 million was made in 2014.

In 2018, a \$200 million investment was made to Artemis Real Estate Partners Income and Growth Fund.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Committed Amount
Artemis Real Estate Partners	Women	55%	\$ 1,000,000,000
Manager of Managers, Real Estate Partners Equity Joint Venture Total			\$ 1,000,000,000

Sub-Fund MWBE Investments*

Firm	MWBE Status	M/W Ownership	Fair Value
Basis Investment Group	African-American / Women	100%	\$ 28,775,798
Blue Moon Senior Housing	Women	100%	7,630,747
Capstone Asset Management	African-American	51%	84,931,637
Griffith Properties	Women	100%	11,686,968
HN Gorin	Women	100%	19,919,698
Innovo Property Group	Asian-American	60%	17,353,770
Internacional Realty	Hispanic	80%	25,230,696
Olympus Properties	Hispanic	100%	45,228,139
Pillar Commercial	Hispanic / Women	100%	22,949,657
Sagebrook Development LLC	Women	100%	17,083,281
Artemis Real Estate Partners MWBE Total			\$ 280,790,391

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Committed Amount
MCB Real Estate	African-American	33%	\$ 28,855,259
Artemis Real Estate Partners Substantially Owned and/or Operated MWBE Total			\$ 28,855,259

* The New York State Common Retirement Fund often uses fund-of-funds (FoF) or manager-of-managers (MoM) asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Absolute Return Strategy

Direct Investments

As of March 31, 2022.

The Fund has a direct allocation with four MWBEs in the Absolute Return Strategy asset class.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Est. Market Value
BCK Capital	Asian-American / Women	100%	\$ 64,038,049
Hollis Park Partners, LP	African-American / Asian-American	86%	28,552,317
Schultze Asset Management	Hispanic / Women	100%	6,249,467
Systematica Investments Limited	Women	51%	135,005,395
Absolute Return Strategy Direct Investments MWBE Total			\$ 233,845,228

Manager of Managers

As of March 31, 2022.

RockCreek, an Emerging Manager Program partner, has been an investment manager for the Fund since 2010.

Direct Fund Investment

Firm	MWBE Status	M/W Ownership	Est. Market Value
RockCreek	Asian-American / Women	62%	\$ 57,493,100
Manager of Managers, RockCreek Total			\$ 57,493,100

Sub-Fund Investments*

Firm	MWBE Status	M/W Ownership	Est. Market Value
HG Vora Capital Management, LLC	Asian-American	100%	\$ 42,086,856
RockCreek MWBE Total			\$ 42,086,856

* The New York State Common Retirement Fund often uses fund-of-funds or manager-of-managers asset managers as Emerging Manager Platforms to invest capital on its behalf. In many cases, these Emerging Manager Platforms are MWBEs that invest partially or exclusively in other MWBE (Sub-Fund) Asset Managers. Emerging Manager Platforms are not required to invest in only MWBE Sub-Funds.

Opportunistic Strategy and Credit Investments

Direct Investments

As of March 31, 2022.

The Fund has direct allocations with four MWBEs in the Opportunistic Investments asset class.

Direct Fund Investments

Firm	MWBE Status	M/W Ownership	Committed Amount
ADV Partners	Asian-American	63%	\$ 275,000,000
Stellex Capital Management	African-American	51%	700,000,000
Vivo Capital	Asian-American / Women	73%	100,000,000
Opportunistic Investment Direct Investments MWBE Total			\$ 1,075,000,000

For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Committed Amount
NGP Energy Capital Management, L.L.C	Women	33%	\$ 250,000,000
Opportunistic Investment Direct Investments Substantially Owned and/or Operated MWBE Total			\$ 250,000,000

As of March 31, 2022.

The Fund has direct allocations with eight MWBEs in the Credit asset class.

Direct Fund Investments

Firm	MWBE Status	M/W Ownership	Committed Amount
Altura Capital	Hispanic / Women	100%	\$ 40,000,000
Brightwood Capital Advisors	African-American	100%	600,000,000
Clearlake Capital Partners	Hispanic	51%	250,000,000
Hollis Park Partners	African-American / Asian-American	86%	150,000,000
Pearl Diver Capital	Asian-American	100%	250,000,000
Silver Rock Financial	African-American / Asian-American / Women	56%	450,000,000
Strategic Value Partners	Asian-American	100%	150,000,000
Credit Direct Investments MWBE Total			\$ 1,890,000,000

Firm	MWBE Status	Substantially Owned and/or Operated MWBE	Committed Amount
Francisco Partners	Asian-American	35%	\$ 350,000,000
Opportunistic Investment Direct Investments Substantially Owned and/or Operated MWBE Total			\$ 350,000,000

Broker/Dealers

Broker/Dealers

As of March 31, 2022.

The following MWBE broker/dealers were utilized for strategies managed internally during the fiscal year.

Equity

Firm	MWBE Status	M/W Ownership
Great Pacific Securities, Inc.	Hispanic	51%
Guzman & Co.	Hispanic / Women	100%
Loop Capital Markets	African-American / Women	81%
Penserra & Co.	Asian-American / Hispanic / Women	76%
Siebert Williams Shank & Co. LLC	African-American / Hispanic / Women	93%

Fixed Income

Firm	MWBE Status	M/W Ownership
Ramirez & Co.	Hispanic	94%
Great Pacific Securities, Inc.	Hispanic	51%
Siebert Williams Shank & Co. LLC	African-American / Hispanic / Women	93%

Service Providers

Consultants

As of March 31, 2022.

Firm	MWBE Status	M/W Ownership
Lenox Park Solutions	African-American / Asian-American / Hispanic / Women	58%

Law Firms

As of March 31, 2022.

Firm	MWBE Status	M/W Ownership
Berman Tobacco	Women	77%
Saxena White P.A.	Asian-American / Women	51%

Firm	MWBE Status	Substantially Owned and/or Operated MWBE
Foster Garvey	Asian-American / Hispanic / Women	36%
Lieff Cabraser Heimann & Bernstein, LLP	Asian-American / African-American / Women	34%
Nossaman LLP	Asian-American / Hispanic / Women	43%
Orrick, Herrington & Sutcliffe LLP	African-American / Asian-American / Hispanic	50%

Supplemental Information

Emerging Manager Program

The New York State Common Retirement Fund’s Emerging Manager Program began in 1994 with an allocation of \$49 million to Progress Investment Management Company, a minority- and women-owned firm.

In October 2007, Comptroller DiNapoli stated: “One of my top priorities has been to expand the diversity of our manager pools. The firms in our Emerging Manager Program, the majority of which are women- and minority-owned, have proven to be more entrepreneurial, focusing on smaller ends of the market. These investments have created a stabilizing force for the Fund.”

Today, the Fund utilizes nine manager-of-managers Emerging Manager Program partners as well as direct investments in order to deploy capital to emerging investment managers. The partners help us identify emerging managers in the public equity, private equity, absolute return, opportunistic investments, and real estate asset classes. In addition, the Emerging Manager Program makes select direct investments with managers across asset classes.

Program Overview

As of March 31, 2022. (Dollars in Millions)

Asset Class	Type of Investment	Total Assets
Public Equities	Direct & Emerging Manager Program Partners	\$ 3,465
Fixed Income	Direct	556
Private Equity	Emerging Manager Program Partners	2,250
Private Equity Co-Invest	Emerging Manager Program Partners	500
Opportunistic & Absolute Return Strategy	Direct & Emerging Manager Program Partners	675
Credit	Direct	190
Real Estate & Real Assets	Direct & Emerging Manager Program Partners	1,900
Total		\$ 9,536

A combination of committed values and estimated market values are primarily utilized for measurement of Total Assets above. For select Opportunistic Investments, Real Estate and Private Equity vehicles, commitment values are utilized, as indicated further in the report. Committed values are only utilized for vehicles in the active period of investing where market value is not representative of the contractual nature of the full relationship with the MWBE participant.

As of March 31, 2022, investment firms participating in the Emerging Manager Program managed an estimated \$9.5 billion in assets for the Common Retirement Fund. The Emerging Manager Program was established to:

- Invest in newer, smaller and diverse investment management firms;
- Access the next generation of talent in the investment field; and
- Provide opportunities for the CRF to invest with qualified traditional MWBEs and MWBEs substantially owned or operated by minorities or women.

The Emerging Manager Program partners, detailed in the next table, extend our emerging manager platform. They include RockCreek, Xponance, Leading Edge Investment Advisors, HarbourVest Partners, Muller & Monroe, Farol Asset Management, Artemis Real Estate Partners, JP Morgan and GCM Grosvenor. These Program partners have enabled the Fund to cultivate, develop, and incubate the next generation of external investment managers as candidates for transition into the core portfolio.

Over the last 20 years, the CRF has transitioned 30 managers from the Emerging Manager Program, including 16 MWBEs, into the CRF's core portfolio.

Firms seeking to explore opportunities with the Emerging Manager Program may utilize multiple avenues. Strategy materials and details may be sent to emergingmanager@osc.ny.gov. In addition, contact information for the Emerging Manager Program partners is detailed on the Emerging Manager Program website at <https://www.osc.state.ny.us/common-retirement-fund/emerging-manager>.

Emerging Manager Program Partners

Managers of Managers

As of March 31, 2022.

Based on Current Market Value. (Dollars in Millions)

Manager of Managers	MWBE Ownership	MWBE Categories	Program Type	Est. Market Value
Xponance	68%	African-American / Women	EAFE	\$ 1,118
Leading Edge Investment Advisors	100%	Asian-American	U.S. Equity Small and Mid-Cap	650
RockCreek	62%	Asian-American / Women	Global and U.S. Equity	740
RockCreek	62%	Asian-American / Women	Absolute Return	57
JP Morgan Asset Management	–	Non-MWBE	Legacy Private Equity	44

Based on Committed Amounts. (Dollars in Millions)

Manager of Managers	MWBE Ownership	MWBE Categories	Program Type	Committed Amount
Artemis Real Estate Partners	55%	Women	Real Estate	\$ 1,000
Farol Asset Management	75%	African-American	Private Equity Co-Investment Program	500
GCM Grosvenor	–	Non-MWBE	Real Estate	300
HarbourVest Partners	–	Non-MWBE	Private Equity Fund of Funds	1,200
Muller & Monroe	51%	African-American	Private Equity Fund of Funds	740

Annual Emerging Manager & MWBE Conference

The New York State Common Retirement Fund hosts its combined Emerging Manager & MWBE Conference annually in February. The conference offers an opportunity for managers to meet with CRF staff and the Fund's investment partners, as well as to network with industry peers, consultants, and other institutional investors. Managers can learn how the CRF selects and monitors investment partners and constructs a well-balanced portfolio.

On February 16, 2022, the CRF hosted its 15th Annual Emerging Manager & MWBE Conference virtually. The Conference was virtually attended by more than 1,000 people representing emerging and diverse managers. Additionally, staff members from several other pension plans interested in replicating our all-asset-class approach were also in attendance.

In welcoming their guests, Comptroller Thomas P. DiNapoli and Chief Investment Officer Anastasia Titarchuk outlined the growth of the Emerging Manager Program and emphasized the Fund's abiding commitment to achieving strong investment results.

The keynote speaker was Tammy K. Jones, Co-founder & Chief Executive Officer of Basis Investment Group, who detailed her path to growing a successful firm.

Event registration for the February 2023 conference will open in early January 2023. Additional details will be available on the New York State Common Retirement Fund Emerging Manager website, at: <https://www.osc.state.ny.us/common-retirement-fund/emerging-manager>.



Contact

Office of the New York State Comptroller
110 State Street
Albany, New York 12236

(518) 474-4040

www.osc.state.ny.us

Prepared by the Division of Pension Investment and Cash Management
For inquiries, please contact: emergingmanager@osc.ny.gov

