



New York State
Teachers'
Retirement
System

MWBE

MINORITY- AND
WOMEN-OWNED
BUSINESS
ENTERPRISES

Asset Management and Financial Institution Strategy Report

FISCAL YEAR 2024–2025

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NYSTRS has commenced an enterprise-wide review of its MWBE and DEI strategy, including the development, enhancement and design of publications such as this one. The review process remains ongoing and encompasses an examination of internal methodologies and outreach strategies toward broader alignment of MWBE and diversity, equity and inclusion initiatives. The System anticipates changes to this document will be captured in the 2027 MWBE Report.

About NYSTRS

Established in 1921 by the New York State Legislature, the New York State Teachers' Retirement System ("NYSTRS" or the "System") administers the fund from which New York state public school teachers and administrators (excluding those in New York City) receive retirement, disability and death benefits.

NYSTRS is one of the 10 largest public retirement systems in the nation and 30 largest in the world. We serve approximately 460,000 active and retired members, including beneficiaries.

A 10-member Board of Trustees representing various constituents sets policy and oversees System operations. By law, the Board's composition is as follows:

- Three teacher members are elected from the membership, one each year, by delegates to the System's Annual Meeting.
- One NYSTRS retiree is elected (if there is more than one candidate) by retired members.
- Two school administrators are appointed by the state Commissioner of Education.
- Two present or former school board members, experienced in the fields of finance and investment, are elected by the Board of Regents based on recommendations of the New York State School Boards Association. At least one of these individuals must have experience as an executive of an insurance company.
- One present or former bank executive is elected by the Board of Regents.
- The State Comptroller or a designee.

Trustees serve three-year terms, except the State Comptroller (or designee) who serves while in office.

NYSTRS Board Members *as of June 30, 2025*

David P. Keefe, President
Retired Teacher Member
Elected by NYSTRS Retirees
Trustee since 2004

Juliet C. Benaquisto
Teacher Member
Elected by NYSTRS Delegates
Trustee since 2021

Eric J. Iberger
Teacher Member
Elected by NYSTRS Delegates
Trustee since 2021

Jennifer J. Longtin
School Boards Association Representative
Elected by Board of Regents
Trustee since 2019

Paul Farfaglia
School Boards Association Representative
Elected by Board of Regents
Trustee since 2023

Dr. L. Oliver Robinson, Vice President
School Administrator
Appointed by Commissioner of Education
Trustee since 2010

Dr. Phyllis S. Harrington
School Administrator
Appointed by Commissioner of Education
Trustee since 2010

Donald A. Little III
Teacher Member
Elected by NYSTRS Delegates
Trustee since 2024

Ruth Mahoney
Bank Executive
Elected by Board of Regents
Trustee since 2021

Nicholas Smirensky
State Comptroller Appointee
Trustee since 2007

Governance Structure

Members of the NYSTRS Board, who serve without pay, have a fiduciary responsibility to safeguard the fund used to pay guaranteed retirement and ancillary benefits to the System’s members and beneficiaries. The Board receives counsel from staff, advisory committees and investment consultants to help formulate its investment policy. Board members are entrusted to invest funds at an appropriate long-term rate of return consistent with appropriate levels of diversity and risk. The funds must be invested with the care, skill and diligence that a prudent person familiar with such matters would use. Prudent management of System assets helps to ensure that sufficient assets are on hand to pay promised benefits when they come due. System assets are managed at a low cost to participating employers.

The design, implementation and administration of appropriate internal controls protecting the security of assets are the responsibility of System management. To ensure the validity of these controls, a system of both external and internal checks and balances exists. Financial information and internal controls are subject to audit by the New York State Department of Financial Services and the System’s Internal Audit Department. In addition, Plante Moran, an independent certified public accounting firm, audits the System’s financial statements annually. The System consistently receives favorable audit opinions.

Funding

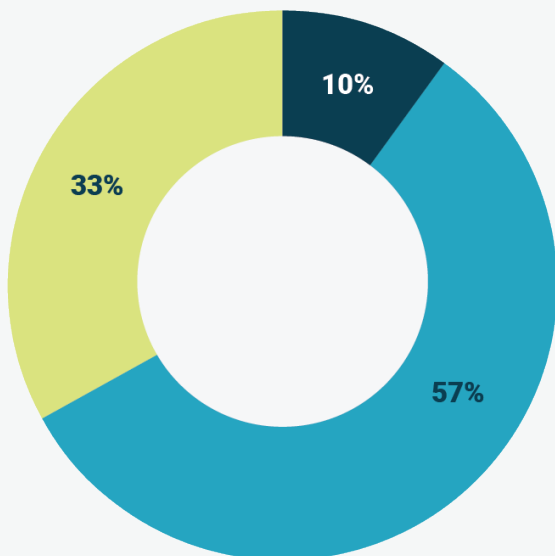
Funds used to pay promised benefits come from employer contributions, member contributions and investment income. Assets are professionally managed and invested on a long-term basis using sound investment policies. Over the past 30 years, investment income has accounted for 85% of all NYSTRS income.

As of June 30, 2025, System net assets totaled \$154.2 billion, with total assets under management of \$151.8 billion.

During the fiscal year ended June 30, 2025, the System’s annual benefit payroll for its approximately 185,000 retirees and beneficiaries was approximately \$8.7 billion. These payments serve as an important economic stimulus across New York state. A breakdown of total benefits paid to NYSTRS members and beneficiaries residing in New York state will be included in our follow-up MWBE report, issued at the end of the calendar year.

Assets Under Management

as of June 30, 2025



More than half of the System’s assets are managed internally, directly by NYSTRS staff.

	SYSTEM ASSETS IN BILLIONS	
● Internally Managed	57%	\$86.2
● Externally Managed - Active	33%	\$49.5
● Externally Managed - Passive	10%	\$16.1
Total Assets Under Management		\$151.8

Investments

The System’s assets are invested in a prudent manner in order to achieve an appropriate long-term total return with an appropriate level of risk. The System is committed to a disciplined, risk-controlled investment approach that focuses on thoughtful and prudent diversification of assets across a broad spectrum of capital market segments. The allocation of assets within the portfolio, as well as the fund’s overall structure, are continuously reviewed and adjusted as appropriate to achieve these goals.

NYSTRS’ diversification of assets helps the System earn an appropriate long-term rate of return within appropriate risk levels. In turn, this helps enable the System to pay guaranteed benefits to retirees and beneficiaries. System assets are managed at a low cost to participating employers and the taxpayers that fund them.

Asset classes in which NYSTRS invests include: domestic equity; international equity; global equity; real estate equity; private equity; domestic fixed income; high yield bonds; global bonds; real estate debt; private debt; and cash equivalents.

Approximately 57% of the System’s investments are managed internally by the System’s own investment professionals. These investments primarily consist of index-matching domestic equity funds and fixed income instruments. Internal management allows the System to control fees and helps reduce the System’s cost of operation. NYSTRS administers the plan at a very low cost in comparison to the value of assets managed.

Asset Allocation as of 6/30/25	
Domestic Equity	32.8%
International Equity	15.6%
Global Equity	4.5%
Real Estate Equity	10.4%
Private Equity	9.8%
Total Equity	73.1%
Domestic Fixed Income	14.8%
High-Yield Bonds	0.9%
Global Bonds	2.0%
Real Estate Debt	5.9%
Private Debt	1.9%
Cash Equivalents	1.4%
Total Debt	26.9%
Total Plan Assets	100.0%



Providing our members with a secure pension is a shared responsibility. NYSTRS benefits are funded from three sources: investment income, employer contributions, and member contributions. Over the past 30 years, earnings on investments provided the majority of the System’s pension funding. Taxpayers contribute by way of employer contributions and members make contributions as mandated by state law. The result of this shared commitment is a well-funded plan.

NYSTRS Financial Highlights – As of June 30, 2025

Total assets under management*	\$151,849,649,027	
Total assets internally managed	\$86,175,459,154	56.8%
Total assets externally managed - active	\$49,562,014,937	32.6%
Total assets externally managed - passive	\$16,112,174,936	10.6%
Total MWBE assets under external management**	\$8,461,242,328	12.9%
Total fees paid to external firms	\$444,507,186	
Total fees paid to MWBE firms	\$65,171,619	14.7%

MWBE Assets Under External Management (by Asset Class)

(As a percentage of externally managed**)

Asset Class	Market Value	Percent of Externally Managed**
Fixed Income	\$78,166,909	0.1%
Private Equity & Private Debt	\$4,599,930,184	7.0%
Domestic, International & Global Equities	\$3,025,968,028	4.6%
Real Estate Equity & Real Estate Debt	\$757,177,207	1.2%

Breakdown of Private Equity and Private Debt Committed Capital

	Number of Firms	Committed Capital	Percent of Committed Capital
All Firms	65	\$27,712,312,232	100%
MWBE Firms	18	\$7,011,214,851	25.3%

Breakdown of Real Estate Equity and Debt Committed Capital

	Number of Firms	Committed Capital	Percent of Committed Capital
All Firms	71	\$29,317,660,532	100%
MWBE Firms	24	\$ 1,026,977,913	3.5%

Breakdown of Fees by Category

Category	Asset Management	Financial Institutions	Professional Services
Total Fees Paid to All Firms	\$428,069,336	\$473,238	\$15,964,612
Total Fees Paid to MWBE Firms	\$64,836,951	\$134,114	\$200,554
Percent of Fees Paid to MWBE Firms	15.2%	28.3%	1.3%

*System net assets as of June 30, 2025 are \$154.2 billion, which includes assets under management of \$151.8 billion, other assets and liabilities.

**Reflects percentage of externally managed assets (active and passive).

New York's MWBE Asset Management and Financial Institution Strategy

The New York State Minority- and Women- Owned Business Enterprise (MWBE) Asset Management and Financial Institution Strategy (Chapter 171 of the Laws of 2010) was established to codify and replicate best practices for the inclusion of MWBE asset managers, investment banks, and financial and professional service providers. The strategy encourages greater utilization of the services of MWBEs by fiduciary-controlled entities established by New York State law. Such entities include the New York State Common Retirement Fund ("CRF") under the sole trusteeship of the Office of the State Comptroller, the New York State Insurance Fund ("NYSIF"), the New York State Deferred Compensation Plan and NYSTRS.

The System's Retirement Board adopted the NYSTRS MWBE Asset Management and Financial Institution Guidelines ("Guidelines") for the certification of all business entities providing asset management investment-related business or services as a provider of financial and professional services. Any actions taken by NYSTRS must be consistent with its overriding fiduciary responsibility to its members, retirees and beneficiaries.

The Guidelines, as provided in Appendix B of this report, outline the strategy under the law to:

- Periodically advertise and make MWBE firms aware of opportunities to conduct business with NYSTRS.
- Provide a report to the Governor, Legislature and the State Chief Diversity Officer, within 60 days from the close of NYSTRS' fiscal year, on MWBE provision of services to the System.
- Work with CRF and NYSIF in creating a database of MWBEs utilized by respective parties.
- In conjunction with other fiduciary entities, hold an annual MWBE conference to promote the System's MWBE strategy and educate MWBE firms on business opportunities with the System.

In accordance with the Strategy and Guidelines, NYSTRS, continues to review best practices and the ongoing certification process. Further, NYSTRS submits this annual report to the Governor, Legislature and Chief Diversity Officer on the utilization of MWBEs.

Advancement of MWBE Guidelines

In accordance with the New York statutory provisions and the NYSTRS MWBE Asset Management and Financial Institution Guidelines, the business entities may qualify as a traditional MWBE firm or a substantially owned and/or operated firm.

Traditional MWBE

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

Substantially Owned and/or Operated MWBE

A substantially owned and/or operated firm includes firms with at least thirty-three percent ownership and/or operation by members of minority groups and/or women and of the thirty-three percent have at least twenty-five percent ownership by minority group members and/or women. Under substantially owned and/or operated, each individual counted in determining percentage of ownership or operation is counted once.

MWBE Certification

NYSTRS contracts with Callan LLC to survey and certify System asset managers and financial services providers. This report solely reflects asset managers and financial service providers certified as MWBE by Callan LLC on behalf of NYSTRS as of June 30, 2025.

Annually, the System reviews MWBE certification for all asset managers, financial institutions, and financial and professional service providers doing business with NYSTRS within that fiscal year.

The System maintains an ongoing process to conduct an MWBE certification review of asset managers, financial institutions, and financial and professional service providers doing business with NYSTRS for the relevant fiscal year.

Pursuit of MWBE Guidelines

NYSTRS Diversity, Equity and Inclusion division continued implementation of an enterprise-wide diversity, equity and inclusion strategy during 2024-25. Highlights from new initiatives of fiscal year 2024-25 include an internal training focus on workplace empowerment, an enhancement in public pension plan peer engagement, hallmarked by NYSTRS' MWBE Investments and Professional Services Conference and Emerging Manager Week (2025) partnership, and an expansion of employee community initiatives supporting workplace culture.

Ongoing Initiatives for Fiscal Year 2024-25

- NYSTRS emphasized workplace empowerment as a core learning objective for leadership and staff development. Building upon the previous year's training priority of workplace psychological safety, NYSTRS' annual all-employee required training focused on diversity, equity and inclusion centered skills such as delegation, inclusive strategies in decision-making, and effective communication to support workplace culture and performance.
- The System sustained a robust portfolio of voluntary and supplemental learning opportunities for staff and leaders related to diversity, equity and inclusion. The varied training offerings span various learning strategies and modalities to meet the complex needs of adult learners.
- Building upon prior workforce assessments, the System launched the Exceptional Team Assessment to measure how the System is achieving its strategic objective to produce exceptional teams. This survey examines employees' sense of community, workforce support, effectiveness of leadership, and perceptions of inclusion and equity.
- NYSTRS held its annual Minority and Women-Owned Business Enterprises Investments & Professional Services Conference on February 13, 2025. The conference was planned in coordination with the inaugural Emerging Manager Week initiative; a partnership with New York City Comptroller Brad Lander, New York State Comptroller Thomas P. DiNapoli, and the Teacher Retirement System of Texas. The week shined a spotlight on the important role diverse and emerging asset managers play in delivering strong risk adjusted returns for public pension funds.
- The System continued leadership and coordination of the Diversity, Equity and Inclusion Consortium, a quarterly engagement with public pension plan peers focused on diversity, equity and inclusion best practices within the industry.
- NYSTRS welcomed two new fellows to the Investment Fellowship Program. The program offers recent college graduates paid, hands-on experience working in the System's investment departments: Fixed Income, Private Equity, Public Equities and Real Estate. Fellows also participate in several partnership projects collaborating with the Investment Operations and Stewardship departments.
- The inaugural class of Investment Fellows completed their two-year Fellowship in June 2025 with three Fellows accepting permanent positions in NYSTRS' Real Estate, Private Equity and Fixed Income departments.
- NYSTRS continued enhancement of internship and career pathway initiatives expanding internal internship opportunities and continuing key partnerships with organizations such as Girls Who Invest, an organization dedicated to bringing more women into portfolio management and leadership; and SEO Careers, an organization providing students with training and resources necessary for industry leadership.
- NYSTRS' manager-of-managers focuses on research and due diligence of emerging investment managers, particularly smaller and less established firms. Staff engage regularly with these partners to review their annual assessment of market dynamics and structural trends within the emerging manager space, and to identify investment opportunities, including within the MWBE segment of that universe.
- Real Estate department staff are active in the Pension Real Estate Association (PREA), which partners with the Robert A. Toigo Foundation to grant an annual PREA/Toigo scholarship to minority and women students. During the summer of 2025, the Real Estate team hosted its ninth intern through the PREA Foundation/Sponsors for Educational Opportunity internship program, which provides career opportunities to women and minority students in the industry.
- The Fixed Income team continued to hold introductory meetings with MWBE external portfolio managers as appropriate. They also continued to research and include MWBE firms in external manager searches when appropriate.

Participation in MWBE Events for Fiscal Year 2024-25

- In support of the inaugural Emerging Managers Week, System staff from Stewardship and Real Estate attended the New York City Comptroller's Annual Diverse & Emerging Managers Conference in New York City on February 12, 2025. The conferences conducted during this week provided diverse and emerging asset managers with the unique opportunity to engage with senior leadership of each pension plan, gaining valuable insight into the plans' priorities for initiating and increasing investments with emerging asset managers.
- In support of the Emerging Manager Week partnership, System staff attended the New York State Common Retirement Fund's Emerging Manager & MWBE Conference on February 14, 2025. The conference provided attendees the opportunity to hear from industry leaders, System staff, and investment consultants about critical industry topics, as well as a chance to network with asset managers from across the industry.
- Representatives from NYSTRS' DEI and Public Equities teams attended CATALYST, California's Emerging & Diverse Investment Manager Forum from May 12-13, 2025. The conference brought together allocators, emerging and diverse investment entrepreneurs, consultants, and industry experts to discuss best practices of allocating to today's top emerging talent.
- The Real Estate team attended the 10th annual Women Investors' Forum hosted by AIF Global in September 2024. The Forum brings together influential thought leaders to discuss current investment strategies and trends and to highlight key initiatives for leadership and advancement for women in investment roles.
- Members of the Real Estate team attended the inaugural RE:CONNECT conference hosted by GCM Grosvenor hosted in May 2025. This gathering of real estate limited partners and general partners focused on conversations relating to the evolution and trajectory of the investment practice with scalable emerging managers featuring formal and informal discussions, content and networking designed to connect influential investors with the next generation of investment talent.

MWBE Participation by Asset Class

The following section summarizes, by asset class, the status of NYSTRS' MWBE relationships.

Domestic, International and Global Equities (52.9% of all invested assets as of 6/30/25)

External Strategies

NYSTRS public equity portfolio spans domestic, international and global markets, consistent with the System's asset allocation targets. The portfolio combines passive and active strategies, with a significant share of domestic equities managed internally at low cost.

External passive strategies are used in international markets where internal capabilities are not in place. The System also allocates to complimentary external managers across domestic, international, and global equities, targeting excess returns over policy benchmarks, net of fees and within defined risk parameters.

Staff conduct ongoing research and due diligence on MWBE managers across externally managed strategies and, during the fiscal year, maintained exposure to several MWBE firms. Details regarding our MWBE partners and investments are summarized in the following table.

NYSTRS' Public Equities MWBE Partners and Investments

Firm	MWBE Status	Investment Type	Market Value
Ariel Investments	African American/Women	International Equity Direct Mandate	\$439,241,581
Leading Edge Investment Advisors	Asian American	Global Equity Manager-of-Managers	\$693,153,875
Rhumblin Advisors	Women	International Equity Direct Mandate	\$1,277,251,447
Xponance Inc	African American/Women	International Equity Manager-of-Managers	\$616,321,125

Public Equity Brokers

During the fiscal year, the System maintained trading relationships with 17 MWBE-certified brokers. Of total commissions of \$473,238, \$134,114 were allocated to MWBE trading partners, representing a slight increase in share year over year. A comparison of the last two fiscal years is provided below.

NYSTRS' Domestic Equity Commissions (Percent MWBE)

	7/1/24-6/30/25	7/1/23-6/30/24
Total Commissions (,000s)	\$473	\$489
Paid to MWBE (,000s)	\$134	\$125
Total MWBE %	28%	26%
Total # of Approved Brokers	26	25
# of Approved MWBE	17	16
Total MWBE %	65%	64%

Approved MWBE Brokers and Year Approved

Blaylock Beal Van, LLC, 2011	North South Capital, LLC, 2011
Bley Investment Group, Inc., 2011	Penserra Securities, LLC, 2012
Cabrera Capital Markets, LLC, 2011	Rice Financial, 2022
CastleOak Securities, L.P., 2011	Siebert Williams Shank & Co. LLC, 2011
CL King & Associates, 2011	Stern Brothers & Co., 2020
Glen Eagle Wealth, LLC, 2022	Sturdivant & Co., 2012
Great Pacific Securities, 2016	Telsey Advisory Group, 2011
Loop Capital Markets, 2011	Tigress Financial Partners, 2016
Mischler Financial Group, 2011	

Fixed Income

(19.1% of System assets as of 6/30/25. Includes internally managed domestic fixed income, cash equivalents, externally managed global bonds and high yield bonds.)

During NYSTRS' 2024-2025 fiscal year, fixed income staff remained committed to strengthening relationships with MWBE counterparties and asset managers. This was accomplished through multiple channels, including but not limited to outreach at the annual NYSTRS MWBE conference, regular interaction with approved MWBE counterparties for the System's internally managed portfolios, and meetings with MWBE external asset managers to discuss capabilities and product offerings. Ongoing communication helps MWBE firms expand their understanding of System objectives as they relate to fixed income and improves System relations with MWBE fixed income counterparties and asset managers.

Fixed Income MWBE Counterparties

Academy Securities Inc.	CastleOak Securities LP
ASL Capital Markets Inc.	Loop Capital Markets LLC
Blaylock Van, LLC	Mischler Financial Group
Cabrera Capital Markets LLC	Samuel A Ramirez & Company
CL King & Associates Inc	Siebert Williams Shank & Co LLC

For the most recently completed fiscal year, the face amount traded with MWBE counterparties represented 20.7% of trading within the cash equivalents portfolio, 12.7% within the domestic fixed income portfolio, and 19.7% combined.

In the domestic fixed income portfolio, the fixed income team continues to execute side orders on new issue deals with MWBE counterparties. The team also utilizes the sole MWBE primary dealer for Treasury auction orders and, when appropriate, includes MWBE counterparties when executing secondary trades for the domestic fixed income portfolio.

NYSTRS' Fixed Income Trading Volume

	7/1/24-6/30/25
Total Trading Volume (face amount)	\$49,764,855,770
MWBE Trading Volume (face amount)	\$9,813,485,910
DVBE Trading volume (face amount)	\$470,168,000
MWBE %	19.7%

For the cash equivalents portfolio, the team continues to use MWBE counterparties for Supranational, Sovereign, and Agency discount note window orders. For approved corporate commercial paper programs with MWBE counterparties as approved dealers on the programs, the team has focused on executing trades with MWBE counterparties while maintaining trading relationships with other non-MWBE dealers.

NYSTRS' Fixed Income Trading Volume by Portfolio

	7/1/24-6/30/25	
	Short Term Portfolio	Long Term Portfolio
Total Trading Volume (face amount)	\$43,412,636,000	\$6,352,219,770
MWBE Trading Volume (face amount)	\$9,006,780,000	\$806,705,910
DVBE Trading volume (face amount)	\$453,668,000	\$16,500,000
MWBE %	20.7%	12.7%

In the case of externally managed portfolios, the Fixed Income team funded a Broad High Yield portfolio managed by Advent Capital Management in October 2024. The account encompasses approximately 0.12% of all NYSTRS externally managed assets. Staff continues to actively engage with MWBE asset managers both during the annual MWBE conference hosted by the System and directly through individual meetings to discuss capabilities and product offerings.

Real Estate Equity and Real Estate Debt

(16.3% of all invested assets as of 6/30/25)

As of June 30, 2025, existing MWBE asset manager relationships include:

Adelante Capital Management, managing \$310.8 million in public market securities in real estate investment trusts (REITs) and real estate operating companies (REOCs).

Grosvenor Capital Management, managing \$606.8 million in a manager-of-managers program, of which \$193.2 million or 31.8% is sub-managed by MWBE asset managers. The Grosvenor program consists of \$1.2 billion in commitments in nine separate accounts (five equity, four debt) that target a portfolio of fund, direct and co-investments sponsored by emerging managers including MWBE managers.

Raith Capital Partners, managing \$253.1 million (\$350.0 million in commitments) in a separate account focused on public and private real estate debt investments.

NYSTRS' Real Estate Emerging Manager Partners

Emerging Manager Partners	MWBE Status	Market Value
Adelante Capital Management	Hispanic/Asian American	\$310,825,016
Grosvenor Capital Management* (Manager-of-Managers)	Hispanic/Asian American/ African American/Women	\$193,223,036
Raith Capital Partners	Asian American	\$253,129,156
Total		\$757,177,208

**Grosvenor Capital Management is a Manager of Managers that invest in funds, direct properties, direct mortgages, and co-investments sponsored by emerging managers. The figure presented above represents underlying MWBE managers within the emerging manager portfolios.*

Private Equity and Private Debt

(11.7% of all invested assets as of 6/30/25)

NYSTRS' investments in private equity and private debt are managed externally. In line with its fiduciary obligations to members, retirees and beneficiaries, NYSTRS targets top quartile performance funds for investment.

As of June 30, 2025, private equity and private debt investments accounted for approximately \$27.7 billion in committed capital. Of this total, the System has committed approximately \$7.0 billion across 65 funds which are managed by 18 minority- and women-owned firms. During the fiscal year ended June 30, 2025, NYSTRS made three new MWBE qualified commitments, totaling \$440 million.

NYSTRS' private equity staff will generally seek to make direct commitments to MWBE qualified funds. However, for smaller emerging manager opportunities, the System utilizes the services of three separately managed accounts as described below:

- In December 2019, NYSTRS made a \$200 million commitment to Abbott Select EM Buyouts, L.P., a separate account established with Abbott Capital with a focus on buyout strategies. The mandate of the account is to make commitments and/or co-investments to small and emerging (inclusive of MWBE) qualified managers with fund sizes of \$1 billion or less with a focus on a Firm's institutional funds I - III. Abbott Select EM Buyouts, L.P. is fully committed with 10 fund commitments and seven co-investment commitments totaling \$198.5 million to date. Of this amount, \$53.9 million is committed to MWBE Firms.
- In September 2022, NYSTRS made a \$300 million commitment to Abbott Select EM II, L.P., a separate account established with Abbott Capital to focus on both buyout and growth equity strategies. The mandate of the account is to make commitments and/or co-investments to small and emerging (inclusive of MWBE) qualified managers with fund sizes of \$1 billion or less with a focus on a Firm's institutional funds I – III. Abbott Select EM II, L.P. is still in its investment period and is actively seeking qualified emerging firms for capital allocation. Abbott Select EM II, L.P. has made seven fund commitments and five co-investment commitments totaling \$149.7 million to as June 30, 2025. Of this amount, \$45.4 million is committed to MWBE firms.
- NYSTRS has a \$100 million commitment to The First Capital Access Fund, a separate account established with HarbourVest Horizon. The mandate of the account is to make commitments specifically to MWBE qualified managers with fund sizes of \$500 million or less. To date, The First Capital Access Fund is fully committed with 10 commitments totaling \$101 million (inclusive of the general partner commitments).

2025 MWBE Investments and Professional Services Conference

NYSTRS hosted its 15th annual Minority- and Women-Owned Business Enterprises (MWBE) Investments & Professional Services Conference on Thursday, Feb. 13, 2025, at the Marriott Albany. Over 200 guests attended the day-long conference, which was held this year as a part of the inaugural Emerging Managers Week.

The theme for the event, “A Seat at the Table,” celebrated the System’s commitment to access and opportunity, and offered continuity of our internal training priority, workplace empowerment.

The conference sessions included offerings designed to acquaint potential asset managers and brokers, and professional and financial service providers, with the System. Speakers featured during the event included Cathy Marcus, co-chief executive officer and global chief operating officer of PGIM Real Estate, and Maggie Arvedlund, CEO and Managing Partner of Turning Rock Partners. Each joined NYSTRS Executive Director & CIO Thomas K. Lee for a fireside chat to discuss their careers, challenges for investment professionals, and their path to acquiring a seat at the table.

Furthering NYSTRS’ MWBE Strategy

In support of NYSTRS’ commitment to expanding access and increasing opportunities for MWBE firms, the System continues to provide opportunities to the growing pool of MWBE managers, both through outreach efforts and the pursuit of MWBE guidelines – each of which contributes to NYSTRS’ success as one of the largest public pension funds in the country.

This effort aligns with NYSTRS’ focus on prudent diversification of investments across a broad spectrum of asset classes and its ongoing search for sound investment opportunities that will contribute to the stability of the portfolio.

The System continues to work with the other fiduciary-controlled entities, the Common Retirement Fund under the sole trusteeship of the Office of the

State Comptroller and the New York State Insurance Fund, to review the certification recommendations of business enterprises certified as MWBEs.

NYSTRS will host its 16th Annual MWBE Business Enterprises and professional Services conference in 2026. The conference serves as a platform for MWBE firms to gain insight into the System and to establish relationships as NYSTRS continues to identify investment managers and service providers that support its MWBE strategy.

The event will provide participants with the opportunity to learn about the System’s investment philosophy and to engage directly with managing directors, investment professionals, and staff.



New York State
Teachers'
Retirement
System

MWBE 2025

Investments &
Professional
Services
Conference

A Seat at the Table

Appendix A

10:00 a.m.-11:00 a.m. General Registration & Check-in	Entrance Table
11:00 a.m.-11:15 a.m. Conference Welcome	Ballroom
11:15 a.m.-11:30 a.m. Opening Remarks <i>Thomas K. Lee, Executive Director & Chief Investment Officer</i>	Ballroom
11:30 a.m.-12:00 p.m. ED & CIO Opening Fireside Chat <i>Featured Speaker – Cathy Marcus, PGIM Real Estate</i>	Ballroom
12:00 p.m.-1:00 p.m. Lunch Break	Long Hallway Ballroom
<ul style="list-style-type: none"> • Boxed Lunches in Long Hallway • Attendees can take lunch to Ballroom 	
1:00 p.m.-1:30 p.m. ED & CIO Fireside Chat <i>Featured Speaker – Maggie Arvedlund, Turning Rock Partners</i>	Ballroom
1:30 p.m.-2:00 p.m. Networking Session	Long Hallway
2:00 p.m.-2:30 p.m. Miscellaneous Breakout Sessions	Albany Room Troy Room Big Breakout Long Hallway
<ul style="list-style-type: none"> • Gender Equity in Finance Roundtable (<i>Emily Ekland</i>) • Culture Building & DEI (<i>Danny Malavé</i>) • Private Debt Seminar (<i>Endurance Aku & David Maye</i>) • Cont. Networking (<i>Business Partner Tabling</i>) 	
2:45 p.m.-4:15 p.m. Asset Class Breakouts	Ballroom Albany Room Troy Room Big Breakout
<ul style="list-style-type: none"> • Private Equity • Fixed Income • Real Estate • Public Equities 	
4:30 p.m. Closing Speaker/Remarks	Ballroom



Appendix B

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES ("MWBE") ASSET MANAGEMENT AND FINANCIAL INSTITUTION 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 508-a of the Education Law, the Retirement Board, acting as trustees of the New York State Teachers' Retirement System ("NYSTRS"), establishes these guidelines for the purpose of increasing the utilization of MWBE Asset Managers, MWBE Financial Institutions and MWBE Financial and Professional Service Firms.

These guidelines shall be implemented in accordance with, and subject to, the Retirement Board's fiduciary duties and obligations as trustees of NYSTRS to the members, retirees and beneficiaries of NYSTRS and in accordance with, and subject to, such other investment limitations as may be prescribed by the Education Law, the Retirement and Social Security Law and any other law or rule as may be applicable, including but not limited to the regulations of the Commissioner of Insurance.

These guidelines shall relate to the following activities:

- A. Contracting with MWBE Asset Managers to invest assets of NYSTRS;
- 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 NYSTRS either:
 - 1. Directly through investments in the equities and debt securities of MWBEs; or
 - 2. Indirectly through 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 are defined as follows:

- 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 funds of NYSTRS.
- B. The term “Best Execution” shall refer to the obligation of Broker or Broker Dealer 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” and “Broker Dealer” 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” may 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" may include, without limitation:
 - 1. An Asset Manager in any of the following asset classes:
 - a. Public Equity or Fixed Income Securities;
 - b. Hedge Funds;
 - c. Fund of Hedge Funds;
 - 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 NYSTRS might engage 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 in a manner consistent with 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 NYSTRS shall mean:
 - 1. A Business Enterprise:
 - a. That is at least fifty-one percent owned by one or more minority group members, or at least fifty-one percent owned by one or more women, who, in each case, 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 in a manner consistent with subdivision 3 of 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 Broker or Broker Dealer that is an MWBE certified in a manner consistent with subdivision 3 of section 423-c of the Retirement and Social Security Law; and
2. As it relates to any other financial services, a Business Enterprise that is an MWBE certified in a manner consistent 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 Common Retirement Fund;
2. The New York State Insurance Fund; and
3. The New York State Deferred Compensation Plan.

III. CERTIFICATION. The Retirement Board hereby establishes and adopts the following certification process for the purpose of identifying and reporting on MWBE firms providing asset management, brokerage or other financial or professional services with or for NYSTRS:

A. Business Enterprises providing asset management, brokerage or other financial or professional services with or for NYSTRS shall be invited to 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, the uniform application for investment advisor registration (ADV) and the uniform application for broker-dealer registration (BD);
2. A copy of application forms and supporting documentation, if any, filed with the Division of Minority and Women-Owned 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, if any;
4. Any registration form as the Retirement Board or the Executive Director of NYSTRS, within his or her discretion, may require; and
5. Such other information as any such Business Enterprise may deem relevant to or of assistance in determining whether such Business Enterprise is an MWBE within the meaning of these guidelines.

B. Additionally, Business Enterprises providing asset management, brokerage or other financial or professional services with or for NYSTRS are invited to provide the Retirement Board, the following information relating to any position (held by an owner, officer, manager or employee of the Business Enterprise) that the Retirement Board or the Executive Director of NYSTRS, within his or her discretion, may determine necessary, including, but not limited to, with respect to any 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 an MWBE:

1. 51%-Owned by Minority Group Members or by Women:
 - 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 or 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 NYSTRS and if so, to what extent such performance will occur.

C. Documentation. All information and documentation shall be provided on a form developed by NYSTRS and, pursuant to these guidelines, 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 and to the extent permitted by applicable law. The Retirement Board or the Executive Director of NYSTRS, or their designees, may make such inquiries as he, she or they may deem appropriate to determine the accuracy of the information provided, including, but not limited to, in his, her or their discretion, field visits and/or other means of substantiation.

D. Certification 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 fifty-one percent owned by one or more minority group members, or at least fifty-one percent owned by one or more women, NYSTRS may rely on bona-fide 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, these guidelines interpret the term “substantially” as meaning at least thirty-three percent (ownership and/or operation). The thirty-three percent shall include at least twenty-five 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 Retirement Board or the Executive Director of NYSTRS, or his or her designee, of any changes in ownership, management and/or control that could impact the entity's MWBE certification.
- F. Documentation of determination. In all cases, NYSTRS shall maintain a written record of the reason(s) for its determination and subsequent certification or decertification of an entity's MWBE status.
- G. Finality of determination. All determinations relating to MWBE status made under these guidelines are made solely for the purposes of identification and reporting and for no other purpose. All determinations shall be final and not appealable. However, any Business Enterprise that believes it should be certified as an MWBE is welcome to submit information demonstrating that it is eligible for certification as an MWBE.
- 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 NYSTRS for a period of time based on the nature and extent of the false information. False submissions shall also be reported to appropriate law enforcement entities.

IV. REPORTING. Within 60 days of the end of each fiscal year commencing with the July 1, 2010-June 30, 2011 fiscal year, NYSTRS shall report to the Governor, Legislature and the Chief Diversity Officer of the State of New York on the participation of MWBE firms providing asset management, brokerage or other financial or professional services for NYSTRS.

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. The progress and success of the efforts undertaken during the plan fiscal year in pursuit of these guidelines.

B. Such Report shall be simultaneously published on the NYSTRS website for not less than 60 days following its release to the Governor, Legislature and the Chief Diversity Officer of the State of New York.

C. Such Report shall separately document the utilization of:

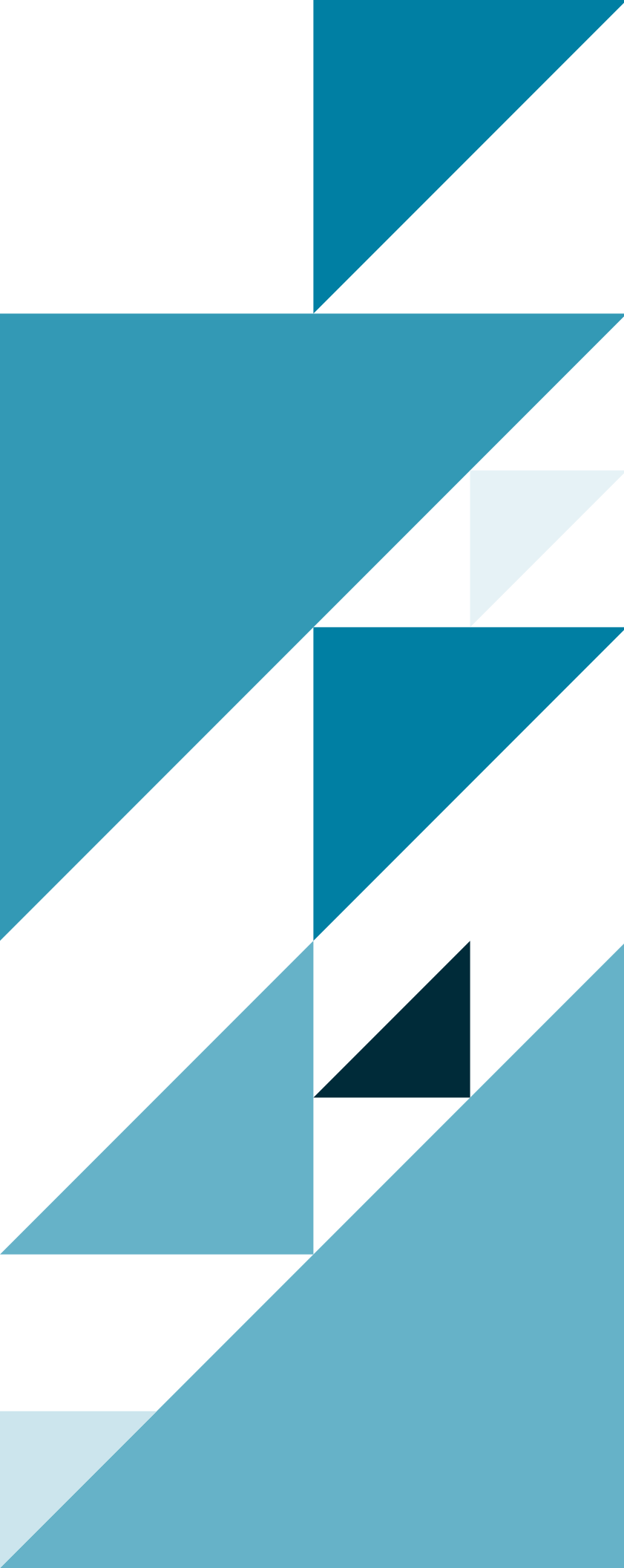
- 1. Entities that are at least fifty-one percent owned by one or more minority group members or at least fifty-one percent owned by one or more women; and

2. Entities that are substantially owned and/or operated by women or minority group members.

V. COOPERATION WITH OTHER FIDUCIARY-CONTROLLED ENTITIES.

In implementing these guidelines, NYSTRS may, in its discretion, utilize or participate in any MWBE certification process established by any Other Fiduciary-Controlled Entity for the purpose of identifying and reporting on MWBE firms providing Asset Management, Brokerage, or other Financial or Professional Services.

- A. NYSTRS shall work with the Other Fiduciary-Controlled Entities to create a Database of Business Enterprises certified as MWBEs pursuant to or in a manner consistent with subdivision 3 of section 423-c of the Retirement and Social Security Law.
- B. In addition to such advertising as NYSTRS shall implement so that MWBE Asset Managers, MWBE Financial Institutions and other MWBE Professional Service Firms are made aware of the opportunities with NYSTRS, NYSTRS shall periodically, but not less than annually, hold a conference to promote the utilization of MWBE Asset Managers, MWBE Financial Institutions and MWBE Financial and Professional Service Firms. Such conference shall be scheduled and coordinated to the extent reasonably practicable with Other Fiduciary-Controlled Entities.
- C. NYSTRS shall meet periodically with the Other Fiduciary-Controlled Entities to discuss best practices and to consider such changes to these guidelines as may be appropriate or advisable.



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