



Investments Committee Report 21-06

Date: September 29, 2021

To: Investments Committee

From: Staff

Subject: Search Process for DCP Actively Managed Mandates:

- Mid-Cap Active Value Equity
- Mid-Cap Active Growth Equity

Investments
Committee

Raymond Ciranna

Chairperson

Joshua Geller

Neil Guglielmo

Recommendation:

That the Investments Committee develop finalists for Stage 3 review of the Mid-Cap Active Value Equity and Mid-Cap Active Growth Equity mandates.

Discussion:

A. Background

The Board of Deferred Compensation Administration (Board) and the Investments Committee have taken a number of actions with respect to procurements and search processes for Deferred Compensation Plan (DCP) investment managers. Following is a summary of actions to date regarding these ongoing searches:

- On **June 18, 2019**, the Board directed staff to draft revisions to the DCP Core Menu Investment Management Services and Stable Value Fund (SVF) Management Services RFPs to include an evaluation process aligning with the Board's established mutual fund search process. The Board also asked staff to work with the City Attorney's Office and Office of Contract Compliance to identify all non-applicable provisions of the City's general contracting requirements for the investment of DCP funds.
- On **July 16, 2019**, the Board approved staff's proposed process to administer parallel mutual fund and institutional product procurement searches for all DCP investment mandates.
- On **January 14, 2020**, the Investments Committee (Committee) reviewed and approved staff's proposed revised RFPs.
- On **February 18, 2020**, the Board approved and authorized the release of RFPs for (i) DCP Investment Management Services and (ii) SVF Investment Management Services.
- On **August 17, 2020**, the DCP Core Menu RFP was released; responses were due October 1, 2020. Along approximately the same time frame the DCP investment consultant, Mercer Investments (Mercer), executed the parallel mutual fund search process.


- On **February 16, 2021**, following Investments Committee review on October 30, 2020, and prior Board consideration at its meetings on December 15, 2020, and January 19, 2021, the Board selected Galliard Capital Management to complete its SVF procurement process.
- On **May 18, 2021**, the Board selected Vanguard to provide passive management services for the passively managed components of the DCP Bond, DCP Large-Cap Stock, DCP Mid-Cap Stock, and DCP Small-Cap Stock investment options, following prior consideration at its meeting on April 20, 2021.
- On **June 23, 2021**, the Investments Committee approved a proposal from staff and Mercer Investments (Mercer) for the methodology to be used for reviewing candidates for the actively managed mandates. The process provides that following evaluation of all RFP respondents and mutual fund candidates on RFP evaluation categories, as part of its Stage 1 review Mercer will provide recommendations regarding removing from the candidate list those funds not meeting certain key criteria outlined in Section 5.1, Evaluation Process and Review Criteria, of the RFP and which would otherwise be the basis for ranking candidates in any event.
- On **July 22, 2021**, the Investments Committee approved a refined number of candidate strategies for the Mid-Cap Value Equity, International Small-Cap Equity, International Emerging Markets Equity, and International Developed Markets Equity investment mandates. Consideration of the Core Plus Bond, Mid-Cap Growth Equity, Small-Cap Value Equity, and Small-Cap Growth Equity mandates was deferred.
- On **August 23, 2021**, the Investments Committee approved a refined number of candidate strategies for the DCP Core Plus Bond, Mid-Cap Growth Equity, Small-Cap Value Equity, and Small-Cap Growth Equity investment mandates.
- On **September 17, 2021**, the Investments Committee approved Stage 3 finalists for the International Small-Cap Equity, International Emerging Markets Equity, and International Developed Markets Equity investment mandates.

B. Committee Action and Timeline

At the Committee meeting Mercer will review its Stage 2 report (**Attachment A**) providing further analysis and details regarding the finalist candidates for both mid-cap mandates. The objective of the meeting is to develop finalists for Stage 3 review. The following table provides a timeline for Investments Committee review of the remaining mandates and tentative subsequent consideration by the full Board:

Topic	Investments Committee Meeting Date	Board Meeting Date for Considering Investment Committee Recommendations
Stage 2 – International	September 17, 2021 (completed)	N/A
Stage 2 – Mid-Cap	Week of September 27	N/A
Stage 2 – Small-Cap Stage 3 – International	Week of October 18	November 16, 2021 (International)
Stage 2 – Bond Stage 3 – Mid-Cap	Week of October 25	November 16, 2021 (Mid-Cap)
Stage 3 – Small-Cap Stage 3 – Bond	Week of November 29	December 21, 2021 (Small-Cap and Bond)

Submitted by:



 Steven Montagna, Chief Personnel Analyst

HEALTH WEALTH CAREER

City of Los Angeles

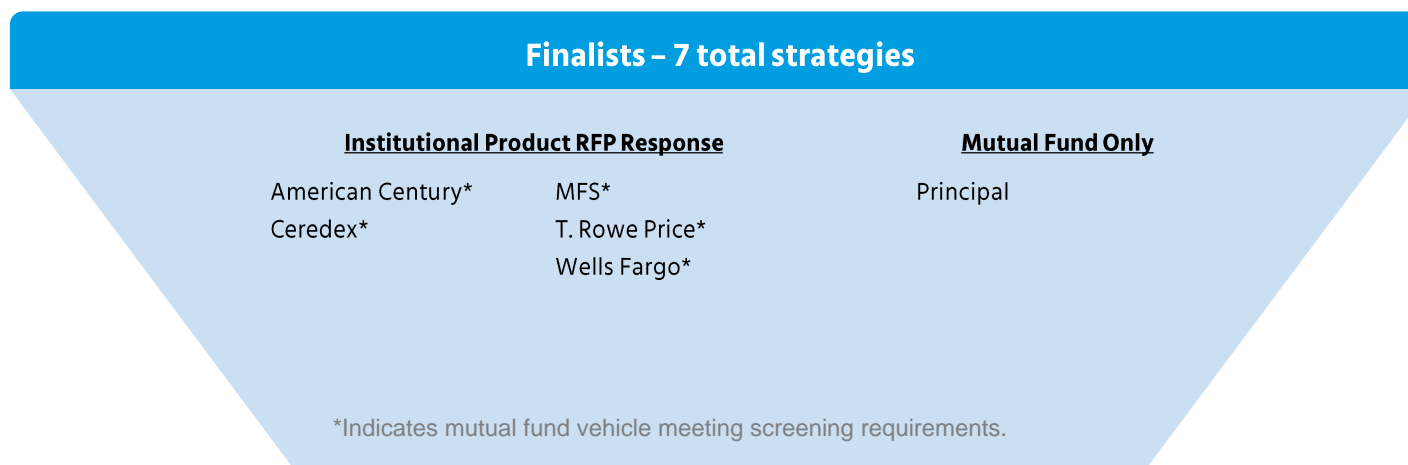
Deferred Compensation Plan

Mid Cap Value Equity
Search – Stage 2

September 2021



BACKGROUND



- For the Mid Cap Value Equity manager search, the City received 11 RFP responses, of which 10 met the minimum requirements outlined in section 2.2 of the RFP.
- In addition to the institutional products, Mercer evaluated 23 mutual funds, all of which passed the minimum requirements for Stage 1 evaluation presented to the City in July 2021.
- Stage 1 resulted in 7 candidates being recommended as finalists. Upon further review, however, it was determined that one RFP respondent, Cooke & Bieler, only had a separate account vehicle available. Given that there is greater operational complexity with separate accounts and that these vehicles have been eliminated from consideration throughout all of the searches, we have eliminated this strategy.
- Thus, 6 strategies are reviewed throughout this document, including the incumbent manager Ceredex, which passed the Stage 1 evaluation.

STAGE 2 CANDIDATES

- 6 finalist candidates (5 RFP respondents and 1 mutual fund) are presented in this document:
 - American Century Investment Management*
 - Ceredex Value Advisors*
 - MFS Investment Management*
 - Principal Global Investors - *Mutual Fund*
 - T. Rowe Price*
 - Wells Fargo Asset Management*

Notes:

- All performance is net of fees, unless otherwise noted
- Portfolio characteristics and performance exhibits are as 6/30/21, unless otherwise noted
- Mandate size is approximately \$131.1 million as of June 30, 2021

* Eligible mutual fund also available

SUMMARY EVALUATION MATRIX

	Manager			Strategy		Performance			Fees
	Business Strength	Team Depth	Personnel Stability	AUM	Appropriate Fit for Mandate	Long-Term Performance (7-Year)	Performance Consistency (7-Year)	Information Ratio (7-Year)	Attractiveness of Fees
ACIM	✓	✓	✓	✓	=	✓	✗	✓	✓
Ceredex (Incumbent)	✓	✓	✓	✓	✓	✓	✓	✓	=
MFS	✓	✓	✓	✓	✓	✓	✓	✓	✓
Principal	✓	✓	✓	✓	✓	✓	✓	✓	✗
T. Rowe Price	✓	✓	✓	✓	=	✓	✓	✓	✗
Wells Fargo	✓	✓	✓	✓	✓	✓	✓	✓	✓

SUMMARY EVALUATION

- **Firm strength** – All candidates have well run businesses with substantial levels of overall assets under management and internal resources to support the DCP.
- **Strategy team depth and stability** – All candidates possess strong depth in terms of team resources devoted to the respective strategies. T. Rowe Price, and to a lesser extent MFS, have seen the most turnover due to the size of the firms, but both teams have seen net additions to their strategies over the past few years.
- **Strategy Assets Under Management (AUM)** – All strategies have sufficient assets under management such that the DCP would not represent a disproportionate percentage of strategy assets, though Principal and Ceredex are notably smaller than peers.
- **Mandate fit** – Ultimately, it is desirable for the strategy to reside close to “Value” from a style perspective and within range of benchmark market cap. On this note, Ceredex, MFS, Principal and Wells Fargo display similar characteristics to the benchmark over the trailing periods. ACIM tends to skew closer to large cap in returns orientation, while T. Rowe Price tends to skew smaller market cap with lesser value bias. All strategies, however, are reasonable from a fit perspective.
- **Performance** – Generally all candidates have strong performance, though Wells Fargo, MFS and to a lesser extent Ceredex, (up/down market characteristics) display highly competitive performance characteristics.
- **Fees** – All fee proposals represent attractive pricing to the DCP. MFS and Wells Fargo are the most attractive and represent savings to the DCP.

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
American Century Investment Management	<p>American Century Investments (ACIM) is an independent, privately controlled company that has managed investments since 1958. In addition to U.S. offices in Kansas City, California, New York, and LA (Avantis), the firm maintains a global presence with offices in London, Hong Kong and Sydney. The institutional investment strategies are managed by teams dedicated to a disciplined investment process focused on independent research.</p>	<p>The team follows a "quality, then value" approach of investing in high quality businesses selling at a discount to fair value. The team uses a bottom-up approach to identify these companies that may be undervalued due to poor economic conditions, cyclical trends, company-specific challenges, or being overlooked by the market. The team screens for higher quality companies, which focus on higher and sustainable returns. The team considers a quality company to have 1) quality assets (high and sustainable returns on capital), 2) low financial leverage (both relative and absolute), and 3) solid franchise sustainability (returns-focused management, leading market share, and high barriers to entry). The team lets winners run, and stocks are not necessarily sold upon reaching a certain market cap threshold. The portfolio may hold non-US stocks via ADRs or ordinary shares, and the team generally hedges the currency risk on ordinary shares using one-month forward contracts. While the team generally seeks to hold securities over a medium- to long-term horizon, it rebalances portfolio weights frequently to manage the risk.</p>
Ceredex Value Advisors - Incumbent	<p>Ceredex Value Advisors (Ceredex) is located in Orlando, FL and manages US value equity strategies. Ceredex was originally an independent subsidiary of RidgeWorth Capital Management (RidgeWorth), which was owned by SunTrust Bank, Inc. (STB) and offered investment support services such as trading, operations, compliance, and marketing for its boutiques. In December 2013, employees of RidgeWorth announced a partnership with private equity firm Lightyear Capital LLC (Lightyear) to acquire RidgeWorth from STB. This transaction closed May 31, 2014. RidgeWorth, in partnership with Lightyear, was then acquired by Virtus Investment Partners (VIP) in June 2017. Ceredex operates as an independent subsidiary of VIP.</p>	<p>Ceredex employs a fundamental, bottom-up approach to investing in companies that pay a dividend, have attractive valuations, and possess fundamental catalysts with the potential to drive price appreciation. The team screens for dividend-paying companies and stocks that are attractively valued based on metrics such as price/book, price/earnings, and price/cash flow from both an absolute and relative basis. Generally, those stocks trading in the bottom third of their valuation ranges relative to the market, the industry, and their history are subject to fundamental research for inclusion in the portfolio. The portfolio manager targets companies with catalysts over the next 12 to 24 months. Catalysts include changes in competitive position, growth and acquisition possibilities, restructuring, product changes, or changes in management.</p>
MFS Investment Management	<p>MFS Investment Management (MFS) was originally founded in 1924, and became a wholly-owned subsidiary of Sun Life Financial of Canada (Sun Life) in 1982. In 1996, MFS initiated a program that offers senior management and investment professionals the opportunity to participate in non-voting equity ownership of the firm. MFS employees own 20% of the firm. In 2011, Sun Life transferred its investment subsidiary, Canadian-based McLean Budden, to MFS. The transfer was finalized in 2013. MFS is headquartered in Boston with investment management offices in London, Tokyo, Singapore, Sydney, Hong Kong, Sao Paulo, Mexico City, and Toronto.</p>	<p>MFS Mid Cap Value strategy seeks to invest in mid-cap companies with attractive valuations and focuses on high-quality companies with resilient business models, above-average returns, solid balance sheets and prudent capital deployment. The team also considers opportunistic investment ideas consisting of improvement potential opportunities and/or low market expectations. The investment seeks capital appreciation. The fund normally invests at least 80% of the fund's net assets in issuers with medium market capitalizations. The adviser generally defines medium market capitalization issuers as issuers with market capitalizations similar to those of issuers included in the Russell Midcap® Value Index over the last 13 months at the time of purchase. It normally invests the fund's assets primarily in equity securities.</p>

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
<p>Principal Global Investors</p>	<p>Principal Global Investors (PGI) is a wholly-owned indirect subsidiary of the Principal Financial Group (PFG). PGI is the asset management arm of PFG and became a SEC registered investment advisor in 1998. The firm employs a multi-boutique strategy offering a range of investment services. Since 2001, PGI has broadened its asset management capabilities by fully acquiring or gaining a majority interest in a number of investment firms including Spectrum Asset Management (2001), Post Advisory Group (2004), Columbus Circle Investors (majority interest in 2005), WM Advisors (2006 and subsequently renamed to Edge Asset Management), Morley Financial Services (2007), Finisterre Capital (majority stake in 2011) and Origin Asset Management (majority interest in 2011). PGI is headquartered in Des Moines, USA, and has investment management offices in a number of locations around the globe including Singapore and Hong Kong.</p>	<p>The U.S. Mid-Cap Value Equity strategy primarily invests in mid-cap companies domiciled in the United States, aiming to generate annualized outperformance over full market cycles relative to the Russell Mid Cap Value Index. The strategy is subadvised by Los Angeles Capital and Victory Capital Management (Sycamore). LA Capital employs a quantitative process, while Sycamore's approach is a benchmark aware strategy primarily focused on purchasing undervalued companies that have strong, sustainable business models with signs of positive change. Like with all of Principal's active equity strategies, it seeks companies demonstrating positive fundamental change, with exploitable expectation gaps, at attractive relative valuations.</p>
<p>T. Rowe Price</p>	<p>T. Rowe Price Group (T. Rowe) was established in 1937 by Thomas Rowe Price as an independent investment advisory firm. In 1979, T. Rowe and the Fleming Group established a London-based joint venture called Rowe Price Fleming to manage non-U.S. assets. In 2000, T. Rowe purchased Fleming Group's 50% share of the joint venture and reorganized its operations into a holding company structure under the name of T. Rowe Price Group. It is T. Rowe's intention, come mid-2022, to create a separate operating unit, T. Rowe Price Investment Management. It will initially consist of 5 US equity strategies and 1 US high yield strategy. T. Rowe is a publicly owned company, headquartered in Baltimore, Maryland with offices located worldwide.</p>	<p>The T. Rowe Price Mid Cap Value strategy is based on the belief that investing in a diversified portfolio of undervalued, medium-sized companies that are priced below their historical trading range and have strong fundamentals will yield superior long-term performance. To focus its research efforts, T. Rowe screens the universe for companies that appear statistically inexpensive based on historical trading multiples. In addition to quantitative screening, research ideas can also come from regional brokerage firms and other industry contacts. T. Rowe's sector specific fundamental analysts look for companies that are undervalued with strong fundamentals. Qualitative assessments focus on seven fundamentals: favorable industry structure, strong market position, room for improvement, experienced management, value drivers, financial flexibility, and hidden assets. Portfolio Manager David Wallack's valuation efforts tend to focus on traditional metrics including absolute and relative price to earnings, price to book, dividend yield, price to cash flow, enterprise value to assets, franchise break-up value, and most importantly discounted cash flow. Portfolios are constructed from the bottom up, and there are no specific sector weighting guidelines.</p>

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
<p>Wells Fargo Asset Management (WFAM)</p>	<p>Wells Fargo Asset Management (WFAM) is a wholly-owned subsidiary of Wells Fargo & Company (Wells Fargo), a publicly-traded corporation. The WFAM umbrella includes Wells Capital Management, which is the asset management arm formed in 1996 as a separately subsidiary of the bank and has since evolved through a series of mergers and acquisitions, including the addition of Strong Capital Management (SCM) in 2004 and Evergreen Investments in 2009. WFAM offers a broad range of investment products that include fundamental and quantitative equities, fixed income, alternatives, and multi-asset solutions. In February 2021, it was announced that WFAM will be sold to two private equity investors, GTCR LLC (GTCR) and Reverence Capital Partners, L.P. (Reverence), in a transaction that is expected to close in the second half of 2021. GTCR and Reverence will be majority and minority owners, respectively, whereas Wells Fargo will own a 9.9% passive equity interest.</p>	<p>The strategy aims to achieve above average capital appreciation by investing in attractively valued mid-cap companies while also minimizing absolute levels of risk relative to the Russell Midcap Value Index and the peer group. The portfolio comprises companies that meet the investment team's strict investment criteria -- long-term competitive advantage, sustainable free cash flow, and flexible balance sheet available for accretive deployment. The research process is primarily bottom-up and is focused on identifying opportunities from a risk-reward trade-off perspective. The team believes that a company's value is based on the sustainable cash generating power of the business. By focusing on free cash flow generation as opposed to GAAP-based earnings metrics, the team uses the CPA-based approach to remove the inherent biases in management estimates and assumptions when compiling GAAP-based financial statements. By exploiting the inefficiencies that exist in both the true cash generating power of the business and the value creation potential of the balance sheet, the team builds valuation models to assess risk reward potential. The firm strives to reduce portfolio risk at the research and portfolio construction levels, with firm oversight provided by a dedicated team of 15 risk management professionals. The team follows disciplined valuation targets, and portfolio construction is designed to optimize risk-adjusted returns.</p>

MERCER RATINGS SCALE

A

Strategies assessed as having “**above average**” prospects of outperformance

B+

Strategies assessed as having “**above average**” prospects of outperformance, but with some reservations.

B

Strategies assessed as having “**average**” prospects of outperformance

C

Strategies assessed as having “**below average**” prospects of outperformance

R

The **R rating** is applied in two situations:

1. Mercer has carried out some research, but has not completed its full investment strategy research process
2. Mercer has in the past carried out its full investment strategy research process on the strategy, but we are no longer maintaining full research coverage

N

No rating, strategies not currently rated by Mercer

W

Watch: where there is some uncertainty about a rating that we do not expect to be resolved soon, but consider it unlikely that it will lead to a rating change

T

Tracking error: potential for high tracking error or high volatility

P

Provisional rating: where there is uncertainty about a rating that we expect to resolve quickly

Please see the Guide to Mercer’s Investment Strategy Ratings <https://www.mercer.com/content/dam/mercer/attachments/private/nurture-cycle/gl-2020-wealth-guide-to-mercers-investment-strategy-research-ratings-mercer.pdf>

MERCER RESEARCH ASSESSMENT

While not part of the evaluation process, Mercer research ratings and evaluations are provided, where available, for additional context.

MERCER RESEARCH EVALUATION SUMMARY					
	Manager Rating	Idea Generation	Portfolio Construction	Implementation	Business Management
American Century Investment Management (ACIM)	R	N/A	N/A	N/A	N/A
Ceredex Value Advisors - Incumbent	A	■■■■	■■■□	■■■□	■■■□
MFS Investment Management	R	N/A	N/A	N/A	N/A
Principal Global Investors	N	N/A	N/A	N/A	N/A
T. Rowe Price	B+	■■■□	■■■□	■■□□	■■■□
Wells Fargo Asset Management	R	N/A	N/A	N/A	N/A

Mercer's Rating Scale

A	Above average prospects of outperformance	C	Below average prospects of outperformance
B+	Above average prospects of outperformance but which are qualified by: 1) There are other strategies in which we have a greater conviction of outperformance and/or 2) Mercer requires more evidence to support its assessment	R	1) Early stage research 2) Research no longer maintained
B	Average prospects of outperformance	N	Not rated

MERCER OVERALL ASSESSMENT

Candidate	Mercer Rating	Overall Assessment
American Century Investment Management	R	Mercer does not formally rate the strategy.
Ceredex Value Advisors	A	We believe Don Wordell's portfolio management experience, insights, impressive knowledge of companies and industries, as well as the disciplined investment approach, are competitive advantages. The strategy also benefits from a well-resourced and stable team of analysts and seasoned portfolio managers who add differentiated viewpoints and contribute to a collaborative working dynamic; ensuring that attractively valued, dividend-paying companies with positive fundamental catalysts are purchased. Wordell constructs portfolios and implements ideas in a thoughtful manner, and the team's approach to assessing risk is comprehensive.
MFS Investment Management	R	Mercer does not formally rate the strategy.
Principal Global Investors	N	Mercer does not formally rate this Principal fund. One of the subadvisor strategies, however, Victory Sycamore Mid Cap Value is highly rated by Mercer's research team due to conviction in the stable team led by Gary Miller, as well as its solid and consistent approach to value investing. In looking for specific drivers of alpha, the team leverages the experience of its members and each investment thesis is extensively debated within the team. Ongoing post-trade risk analysis and monitoring as well as the stress testing of macro-economic factors allow Sycamore to remain on top of potential risk pitfalls. We find Miller to be thoughtful and the investment process sound, and over time we have developed conviction to Sycamore's leadership, process and team. Mercer does not rate the other subadvisor LA Capital's Mid Cap strategy which employs a quantitative process.
T. Rowe Price	B+	David Wallack is a skilled and tenured investor who follows a consistent process to uncover undervalued opportunities. Wallack adeptly leverages support from his advisory committee and T. Rowe's substantial central research department. We believe Wallack has a natural contrarian wiring. Although we find his approach appealing, a reliance on a low stock price rather than a specific fundamental catalyst, at times, could lead to periods of prolonged dead money. This dead money risk is somewhat mitigated by the scaling of positions based on risk/reward. An additional observation is that the strategy's sizable asset base could make the implementation of some ideas difficult.
Wells Fargo Asset Management	R	Mercer does not formally rate the strategy.

OVERVIEW

Quantitative Scorecard

Funds	Performance Characteristics (over 5 Years ending June-21)	% of time out-performing (all/up/down markets over 5 Years ending June-21)	Portfolio Characteristics (AUM as of 6/30/21)
American Century - U.S. Mid Cap Value	Ret (%p.a.): 10.6 (74) Tracking error (%pa): 3.8 (63) Information ratio: -0.3 (74) Return/SD: 0.5 (29)	All Markets: 40% Up markets: 29% Down markets: 100%	AUM (\$MM): 14,976 Inception year: 2004 Market cap (\$MM): 25,444 No. of stocks held: 97 Avg. turnover(%):150
Ceredex Mid Cap Value Equity - Incumbent	Ret (%p.a.): 13.4 (15) Tracking error (%pa): 3.2 (77) Information ratio: 0.5 (N/A) Return/SD: 0.6 (2)	All Markets: 65% Up markets: 65% Down markets: 67%	AUM (\$MM): 4,336 Inception year: 2001 Market cap (\$MM): 27,685 No. of stocks held: 51 Avg. turnover(%): 150
MFS Mid Cap Value Equity	Ret (%p.a.): 12.7 (23) Tracking error (%pa): 1.4 (98) Information ratio: 0.6 (N/A) Return/SD: 0.6 (4)	All Markets: 55% Up markets: 47% Down markets: 100%	AUM (\$MM): 17,822 Inception year: 2001 Market cap (\$MM): 19,412 No. of stocks held: 149 Avg. turnover(%): 26
Principal Global - Principal MidCap Value I	Ret (%p.a.): 13.1 (18) Tracking error (%pa): 2.1 (92) Information ratio: 0.6 (N/A) Return/SD: 0.6 (2)	All Markets: 55% Up markets: 53% Down markets: 67%	AUM (\$MM): 2,877 Inception year: 2003 Market cap (\$MM): 17,665 No. of stocks held: 706 Avg. turnover(%): N/A
T Rowe Price Mid-Cap Value Fund	Ret (%pa): 11.9 (44) Tracking error (%pa): 3.6 (69) Information ratio: 0.0 (44) Return/SD: 0.5 (18)	All Markets: 50% Up markets: 41% Down markets:100%	AUM (\$MM): 24,479 Inception year: 1996 Market cap (\$MM): 18,232 No. of stocks held: 91 Avg. turnover(%): 60
Wells - Special U.S. Mid Cap Value Equity	Ret (%p.a.): 12.2 (39) Tracking error (%pa): 2.6 (89) Information ratio: 0.1 (36) Return/SD: 0.5 (29)	All Markets: 50% Up markets: 53% Down markets: 33%	AUM (\$MM): 13,817 Inception year: 2001 Market cap (\$MM): 22,746 No. of stocks held: 69 Avg. turnover(%):85

FACTS AND FIGURES

CANDIDATE SUMMARY

Firm	Candidate Characteristics (as of 6/30/2021)					
	Headquarters	Firm Ownership	Firm AUM (billions)	Strategy AUM (billions)	Strategy Inception Year	# of PMs / # of Analysts
ACIM	Kansas City, MO	Nomura Holdings Inc. 39% Stowers family and Stowers Institute 44% Current Employees and Other 17%	\$235.1	\$15.0	2004	4 / 12
Ceredex (Incumbent)	Orlando, FL	Virtus Investment Partners 100%	\$9.5	\$4.3	2001	1 / 8
MFS	Boston, MA	Sun Life Financial Inc. 80% Employee owned 20%	\$661.4	\$17.8	2001	4 / 72
Principal	Des Moines, IA	Principal Financial Group 100%	\$576.8	\$2.9	2003	2 / 3
T. Rowe Price	Baltimore, MD	Publicly owned 86% Employee owned 14%	\$1,627.3	\$24.5	1996	2 / 221
Wells Fargo	San Francisco, CA	Private Equity Firms GTCR and Reverence Capital 90.1% ¹ Wells Fargo & Co 9.9% ¹	\$512.5	\$13.8	2001	6 / 10

Key observation:

- All of the managers are very well established firms with reasonable levels of strategy assets, though T. Rowe Price manages a significantly larger amount of assets in this category and has limited access to the strategy in recent years in order to manage capacity.

¹ Ownership structure following close of acquisition expected to be completed in second half of 2021

STRATEGY ASSETS

Firm	As of June 30, 2021			From June 30, 2018 to June 30, 2021			
	Strategy assets (\$MM)	Number of clients ¹	Largest Account Size ¹ (\$MM)	Accounts Gained (#)	Accounts Gained (\$MM)	Accounts lost (#)	Accounts lost (\$MM)
ACIM	14,976	51	1,221	8	379	2	124
Ceredex (Incumbent)	4,336	7	3,660	0	0	1	68
MFS	17,822	9	2,102	2	530	0	0
Principal	2,877	1	2,877	0	0	0	0
T.Rowe Price	24,479	8	15,210	0	0	0	0
Wells Fargo	13,817	12	513	1	16	1	17

Key observations:

- MFS and ACIM have tended to have the most positive new client growth in recent years, while ACIM has also had the highest outflows.

¹ The Mutual Fund vehicle is shown as 1 client.

PERSONNEL

Firm	As of June 30, 2021		Investment professional strategy turnover from June 30, 2018 to June 30, 2021	
	Total investment professionals	Investment professionals in strategy	Additions	Departures
ACIM	195	16	4	1
Ceredex (Incumbent)	12	9	1	1
MFS	251	76	20	5
Principal	595	5	0	0
T. Rowe Price	2,646	227	83	21
Wells Fargo	446	16	5	2

Key observations:

- Staffing appears reasonable at all firms.
- T. Rowe, given its size and analyst driven strategy, typically will have higher personnel turnover as noted here.

SELECTED PORTFOLIO GUIDELINES

Firm	Principal Security Selection Technique	Minimum market cap (\$MM) ¹	Maximum market cap (\$MM) ¹	Number of stocks typically held	Average cash position over last 5 years (%)	Average portfolio turnover over last 5 years(%)
ACIM	Fundamental	500	20,000	97	2	150
Ceredex (Incumbent)	Fundamental	2,189	35,826	50	3	150
MFS	Fundamental	500	25,000	130 - 160	2	26
Principal	Fundamental	474	68,874	712	Not Provided	Not Provided
T. Rowe Price	Fundamental	3,000	15,000	105	2	60
Wells Fargo	Fundamental	300	20,000	71	4	85

Key observations:

- Ceredex runs the most concentrated strategy, while Principal given its multi-manager approach and MFS, are on the other end of the spectrum with the most diversified strategies.
- Principal allows the strategy to hold large cap stocks.
- ACIM and Ceredex show the greatest average portfolio turnover.

¹ Market Cap at time of purchase..

SELECTED PORTFOLIO GUIDELINES

	# of Holdings	% in Top 10 Holdings	Market Cap (\$M)	Dividend Yield	Price / Earnings	Price / Book
ACIM	97	21.76	25,444	2.10	15.74	2.36
Ceredex (Incumbent)	51	31.12	27,685	1.19	20.26	3.36
MFS	149	12.21	19,412	1.56	18.45	2.44
Principal	706	14.64	17,665	1.50	19.70	2.96
T. Rowe Price	91	32.09	18,232	1.81	25.72	1.81
Wells Fargo	69	26.48	22,746	1.12	18.44	2.72
Russell MidCap Value	695	4.32	20,565	1.59	22.52	2.70

Key observations:

- All strategies are generally in-line with the benchmark.
- Ceredex, ACIM and Wells Fargo tend to have a larger market cap than the benchmark, although not by a significant margin.
- T. Rowe Price and Ceredex are the most concentrated portfolios, with over 30% in the top 10 holdings.

SECTOR DISTRIBUTION

Firm	Energy (%)	Materials (%)	Industrials (%)	Cons Disc (%)	Cons Staples (%)	Health Care (%)	Financials (%)	Real Estate (%)	Info Tech (%)	Comm Services (%)	Utilities (%)
ACIM	4.6	5.4	17.3	8.2	8.2	16.5	19.5	5.2	5.9	1.4	7.8
Ceredex (Incumbent)	4.0	9.7	17.8	8.8	0.0	11.3	16.0	3.4	22.9	0.0	4.0
MFS	5.2	8.8	17.1	9.6	5.0	8.2	20.6	7.4	8.3	2.0	7.8
Principal	4.1	9.9	20.6	12.5	6.3	6.0	14.5	8.4	10.5	3.1	2.5
T. Rowe Price	12.6	9.2	6.2	2.4	8.0	14.3	15.5	6.2	2.4	4.6	7.0
Wells Fargo	4.2	3.8	20.6	13.6	8.5	7.3	16.1	6.7	10.4	0.0	5.0
Russell MidCap Value	5.1	7.3	16.0	10.9	4.2	8.7	16.1	10.5	9.7	4.2	7.0

Key observations:

- All strategies appear well diversified from a sector concentration standpoint.
- MFS tends to be the most benchmark aware from a sector allocation standpoint; while Ceredex, ACIM and Wells Fargo show some notable sector bets.

Data as of 3/31/2021 except for Kayne which is as of 6/30/2021.

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VEHICLES & FEES

Manager	Vehicle	Fund Name	Expense Ratio (Revenue Sharing)	Estimated Expense (Based of 6/30/21 Assets of \$131.1 M)	Estimated \$ Difference vs Incumbent
ACIM	CIT	U.S. Mid Cap Value	0.58% ²	760,380	52,440
Ceredex (Incumbent ¹)	Mutual Fund	Ceredex Mid Cap Value Equity	1.04% (0.50%)	707,940	-
MFS	CIT	MFS Mid Cap Value Equity	0.50% ³	655,500	(52,440)
Principal	Mutual Fund	Principal MidCap Value I	0.64%	839,040	131,100
T. Rowe Price	CIT	US Mid-Cap Value Equity	0.64%	839,040	131,100
Wells Fargo	CIT	Special U.S. Mid Cap Value Equity	0.47% ⁴	609,615	(98,325)

Key observations:

- ACIM, MFS and Wells Fargo strategies present fee savings to the Plan, with the Wells offering the greatest savings.
- Principal and T. Rowe Price fees are greater than those of the incumbent.

¹ The City is currently invested in the I share class of the Mutual Fund with an expense ratio of 1.04% and 0.50% revenue sharing. Strategy is also available in a CIT vehicle with an expense ratio of 0.60% and no revenue sharing.

² Pricing is shown for base class of the CIT. ACIM is open to launching a lower cost CIT class for the City.

³ Includes other expenses capped at 0.05%.

⁴ Tiered fee schedule: 0.47% on first \$100M, 0.45% thereafter. Fee shown reflects 6/30/21 assets of \$131.1M.

PERFORMANCE DETAILS

PERFORMANCE CHARACTERISTICS

Performance characteristics vs. Russell Midcap Value in \$US (after fees) over 7 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe (Percentile Ranking) (quarterly calculations)

Performance Statistics (7-years)									
	Return (%pa)	Std Deviation (%pa)	Tracking Error (%pa)	Information Ratio	Sharpe Ratio	Alpha (%pa)	Up Markets Capture (%)	Down Markets Capture (%)	Beta
ACIM	9.64	17.23	3.57	0.09	0.51	1.28	88.04	88.37	0.87
Ceredex (Incumbent)	9.46	20.13	3.48	0.03	0.43	0.19	104.45	102.38	1.01
MFS	9.78	19.30	1.84	0.24	0.46	0.59	99.93	97.16	0.98
Principal	9.38	19.25	2.21	0.02	0.44	0.23	96.25	96.95	0.97
T. Rowe Price	9.60	19.17	3.46	0.07	0.46	0.54	92.13	92.20	0.96
Wells Fargo	9.81	19.78	2.33	0.20	0.45	0.51	102.63	98.91	1.00
Russell Midcap Value	9.34	19.71	N/A	N/A	0.43	N/A	N/A	N/A	N/A

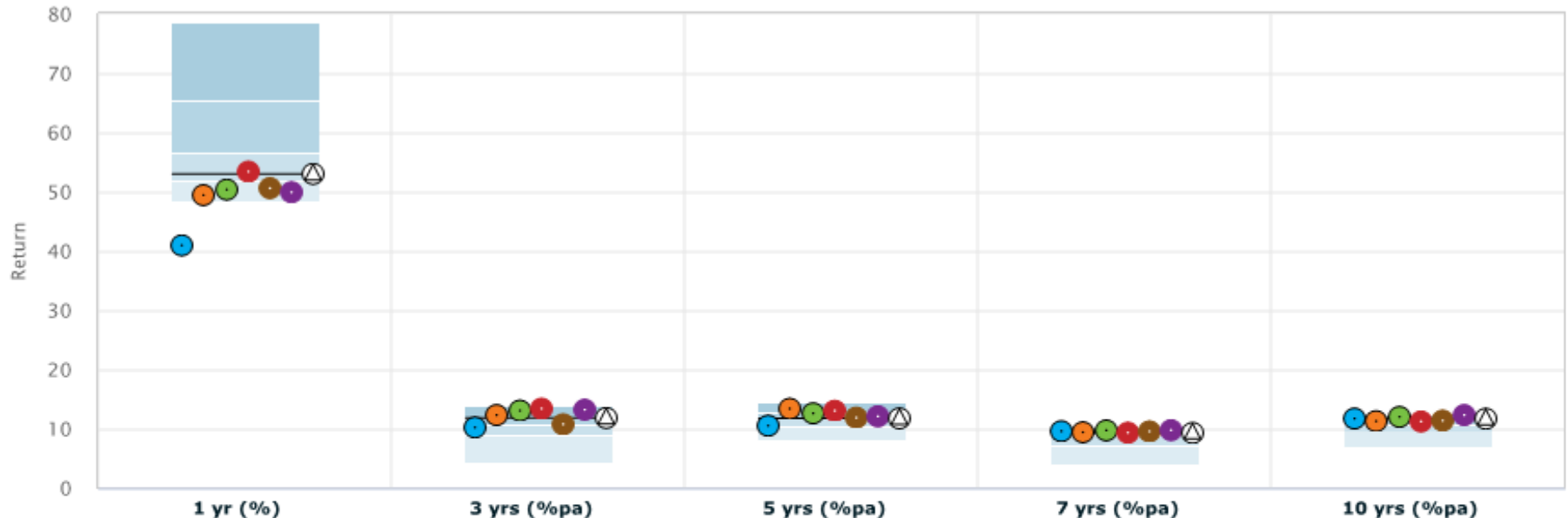
1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile
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Key observations:

- MFS, Wells Fargo and ACIM exhibit the strongest risk-adjusted returns over the 7-year period.
- Wells Fargo has outperformed in up markets and protected in down markets.

ANNUALIZED PERFORMANCE

Return in \$US (after fees) over 1 yr, 3 yrs, 5 yrs, 7 yrs, 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe (Percentile Ranking)

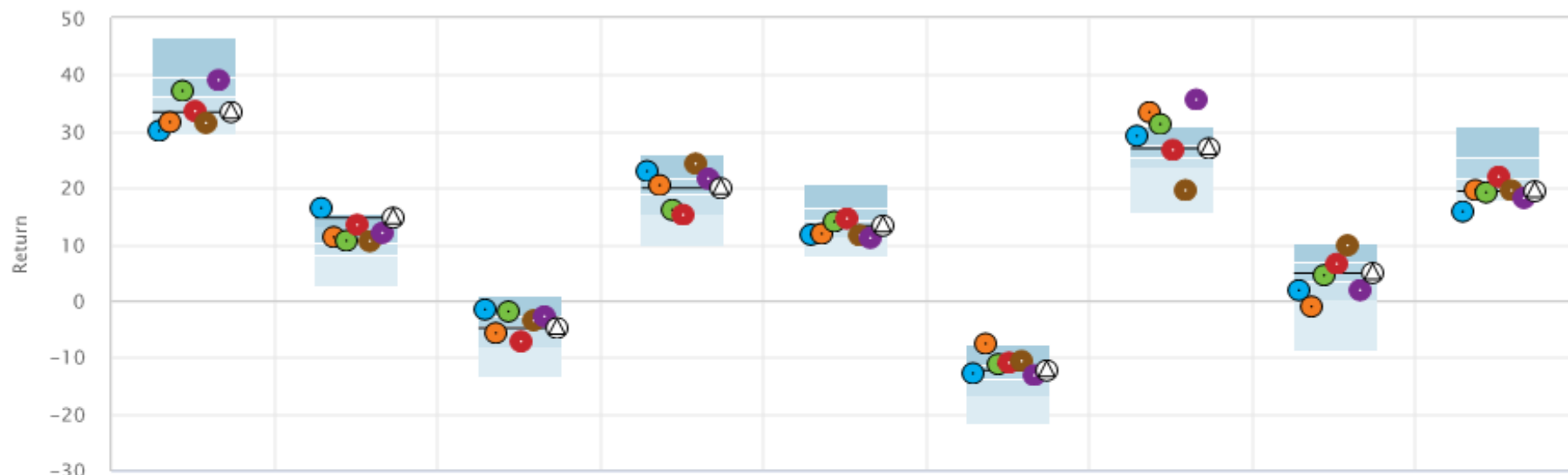


	1 yr (%)	3 yrs (%pa)	5 yrs (%pa)	7 yrs (%pa)	10 yrs (%pa)
● ACIM	41.0 (100)	10.3 (56)	10.6 (74)	9.6 (14)	11.8 (16)
● Ceredex	49.5 (91)	12.4 (21)	13.4 (15)	9.5 (21)	11.3 (29)
● MFS	50.4 (83)	13.1 (15)	12.7 (23)	9.8 (10)	12.0 (5)
● Principal	53.4 (59)	13.4 (9)	13.1 (18)	9.4 (23)	11.3 (30)
● T.Rowe	50.6 (81)	10.8 (48)	11.9 (44)	9.6 (15)	11.4 (26)
● Wells Fargo	50.0 (87)	13.3 (12)	12.2 (39)	9.8 (9)	12.4 (4)
△ RUMCV	53.1 (60)	11.9 (24)	11.8 (49)	9.3 (24)	11.7 (18)
5th Percentile	78.4	13.7	14.2	10.1	12.1
Upper Quartile	65.3	11.8	12.6	9.3	11.5
Median	56.5	10.6	11.8	8.8	10.6
Lower Quartile	51.7	8.8	10.3	7.0	9.6
95th Percentile	48.3	4.3	8.0	4.0	6.8
Number	53	49	46	41	35

- Ceredex, MFS, Principal, and WF have performed near the top third of the peer universe across all periods longer than 1-year.

CALENDAR YEAR PERFORMANCE

Return in \$US (after fees) over last 9 calendar years ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe (Percentile Ranking)

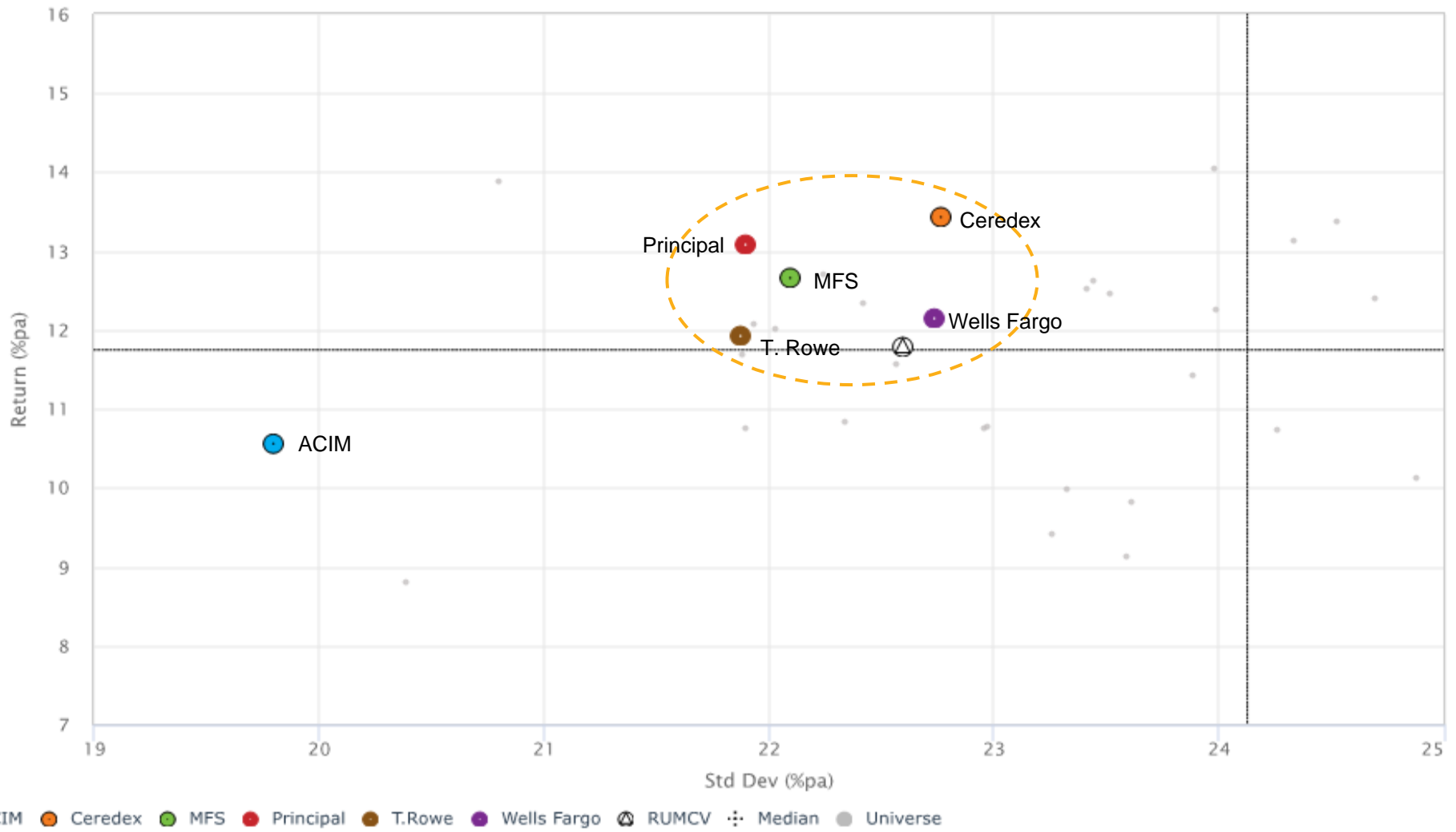


	2013 (%)	2014 (%)	2015 (%)	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	6 mths to 6/2021 (%)
ACIM	30.1 (93)	16.5 (2)	-1.5 (13)	23.0 (21)	11.8 (67)	-12.8 (39)	29.3 (17)	1.9 (60)	15.9 (100)
Ceredex	31.7 (82)	11.3 (37)	-5.7 (58)	20.5 (37)	11.9 (65)	-7.5 (3)	33.5 (1)	-1.0 (77)	19.7 (70)
MFS	37.2 (41)	10.7 (45)	-1.8 (15)	16.2 (62)	14.1 (50)	-11.2 (24)	31.3 (3)	4.6 (40)	19.2 (81)
Principal	33.6 (72)	13.5 (18)	-7.2 (71)	15.3 (74)	14.6 (45)	-10.9 (23)	26.8 (33)	6.6 (27)	22.0 (46)
T.Rowe	31.5 (83)	10.6 (46)	-3.4 (35)	24.3 (13)	11.6 (67)	-10.6 (17)	19.6 (84)	9.9 (6)	19.6 (71)
Wells Fargo	39.1 (28)	12.1 (35)	-2.7 (23)	21.7 (24)	11.2 (75)	-13.1 (45)	35.7 (0)	1.9 (60)	18.2 (91)
RUMCV	33.5 (73)	14.7 (7)	-4.8 (50)	20.0 (43)	13.3 (59)	-12.3 (35)	27.1 (27)	5.0 (38)	19.5 (78)
5th Percentile	46.5	15.3	0.7	25.7	20.6	-8.1	30.7	9.9	30.6
Upper Quartile	39.5	13.1	-2.8	21.5	16.4	-11.4	27.5	6.6	25.3
Median	36.2	10.2	-4.7	18.7	14.1	-14.0	25.2	3.3	21.5
Lower Quartile	33.1	7.9	-8.3	15.3	11.2	-16.9	23.5	0.1	19.5
95th Percentile	29.5	2.6	-13.4	9.7	8.0	-21.8	15.6	-9.0	17.7
Number	37	38	44	46	47	49	50	52	56

- During the 2018 drawdown and subsequent rebound in 2019 Ceredex and MFS ranked in the top quartile during both annual periods.

RISK / RETURN – 5-YEAR PERIOD (6/30/21)

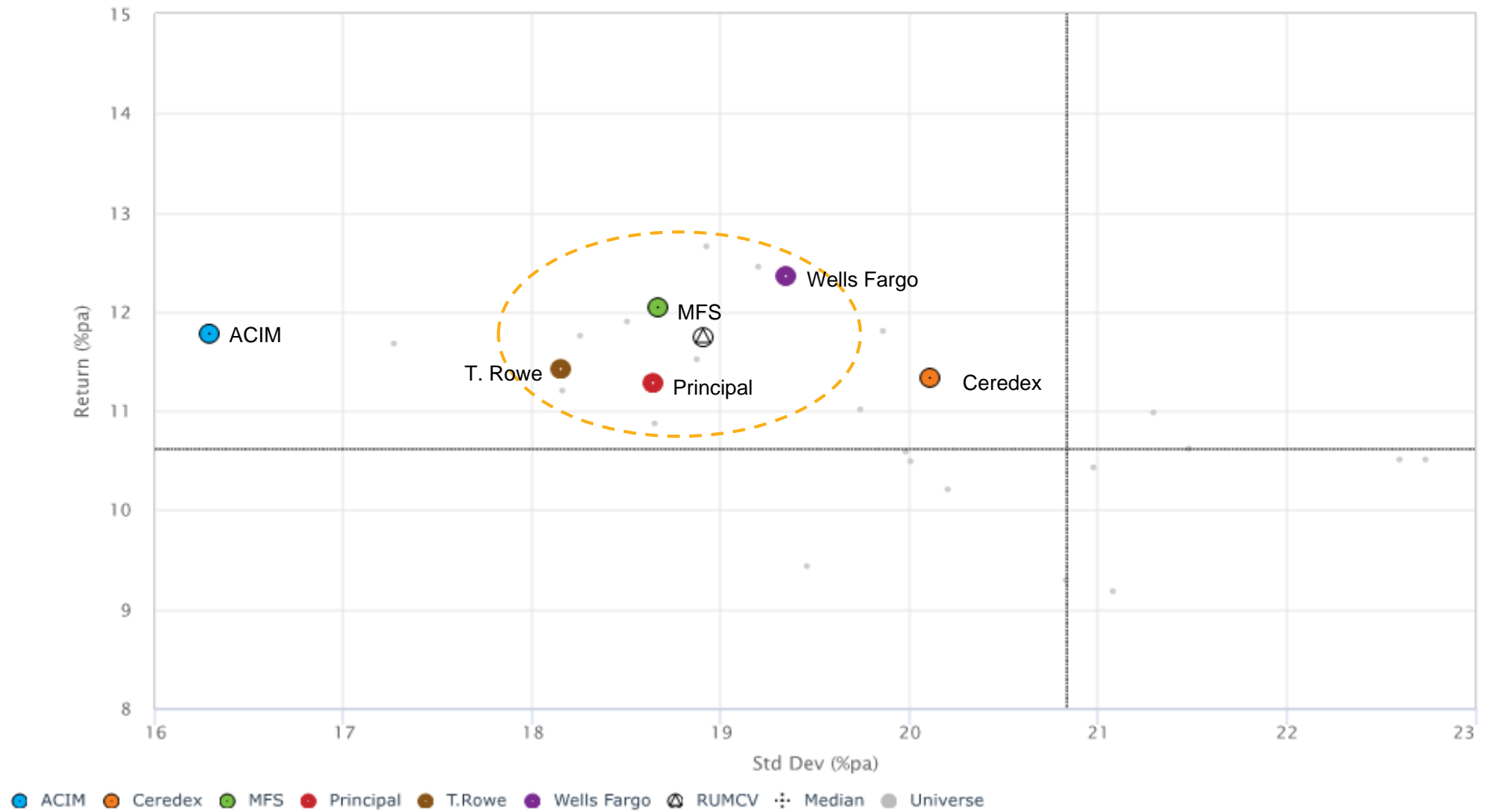
Return and Std Deviation in \$US (after fees) over 5 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)



- All managers, with the exception of ACIM, showcase strong returns over the 5-year period, while having similar volatility.
- ACIM exhibits a lower volatility approach.

RISK / RETURN – 10-YEAR PERIOD (6/30/21)

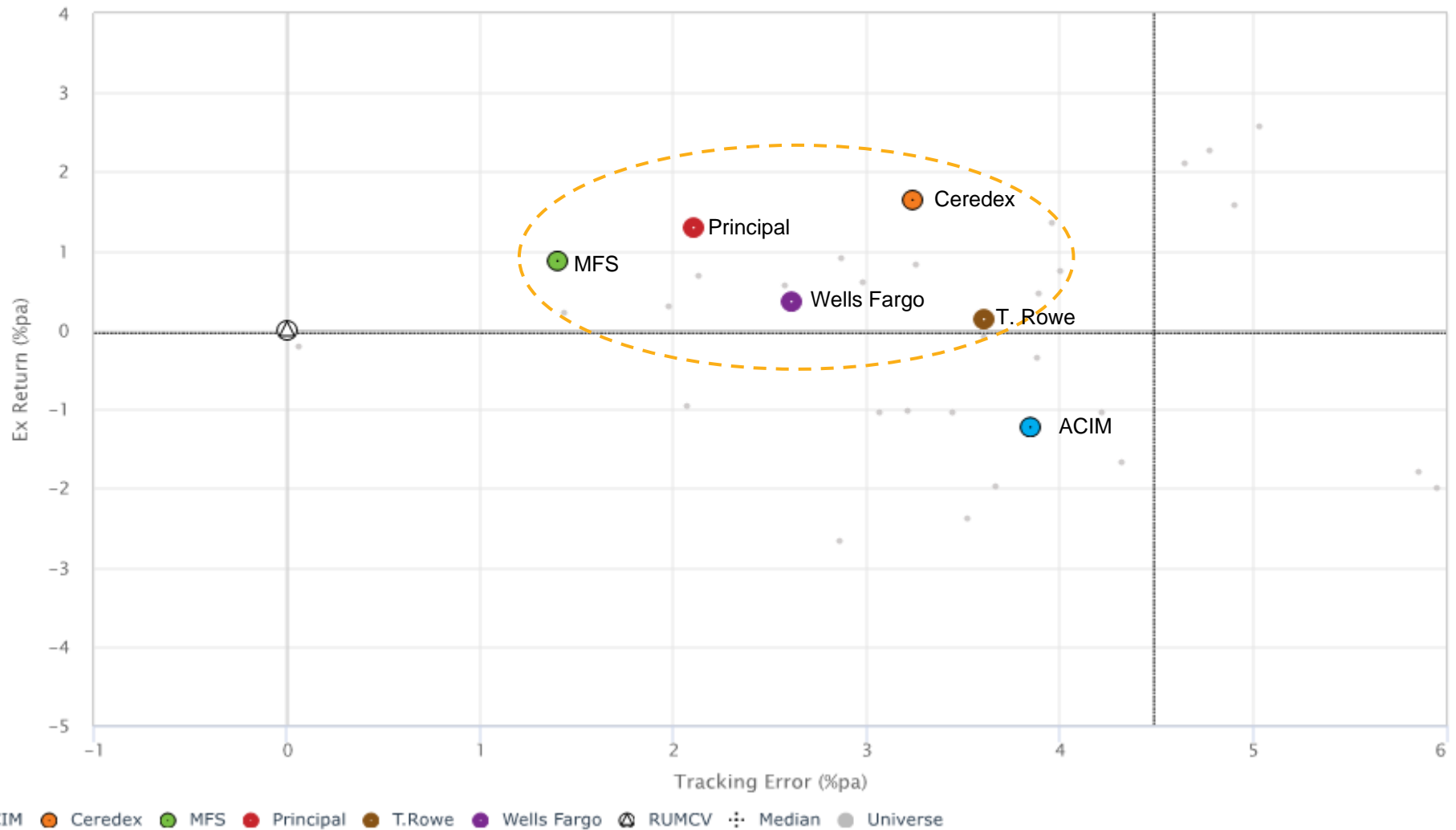
Return and Std Deviation in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)



- Many of the candidates show a similar return profile over the long-term (10-yr period).

TRACKING ERROR / EXCESS RETURN (5-YR)

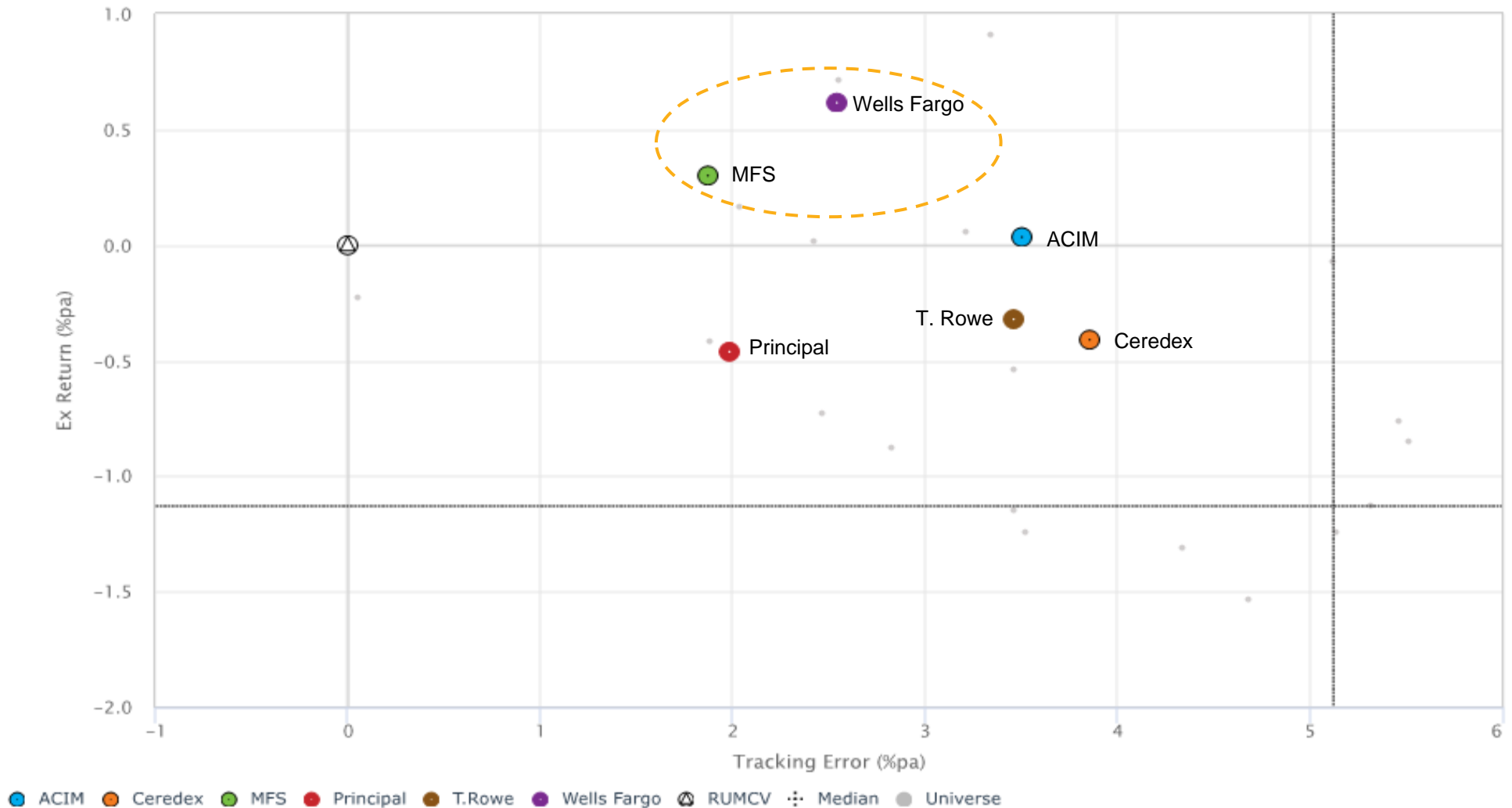
Excess Return and Tracking Error vs. Russell Midcap Value in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)



- All managers, except ACIM, have generated a positive excess return and lower tracking error than the universe median.

TRACKING ERROR / EXCESS RETURN (10-YR)

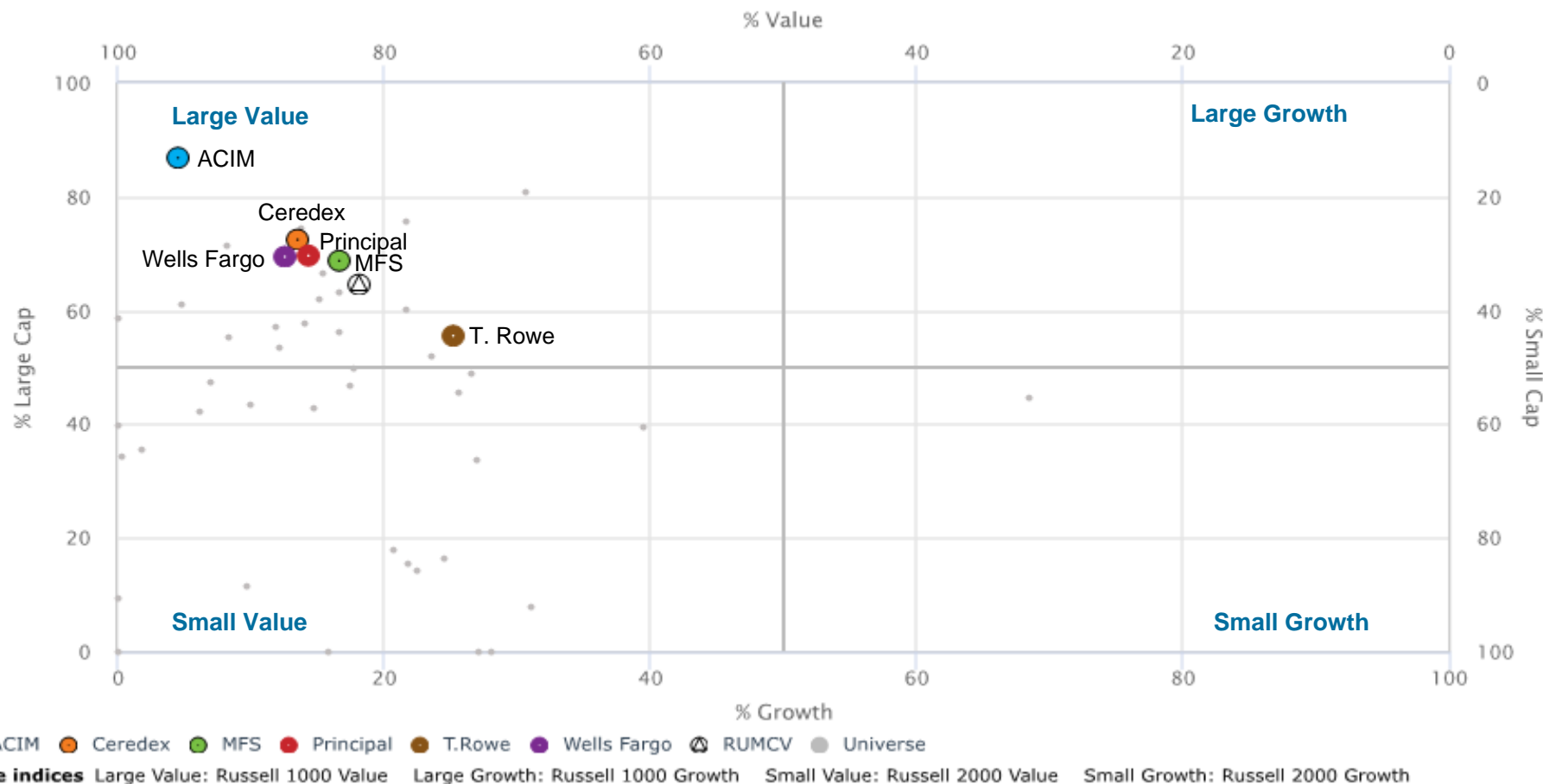
Excess Return and Tracking Error vs. Russell Midcap Value in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)



- Over the long-term (10-yr period), all managers have higher annualized excess returns and lower tracking error than the universe median.

RETURNS-BASED STYLE ANALYSIS (5-YR)

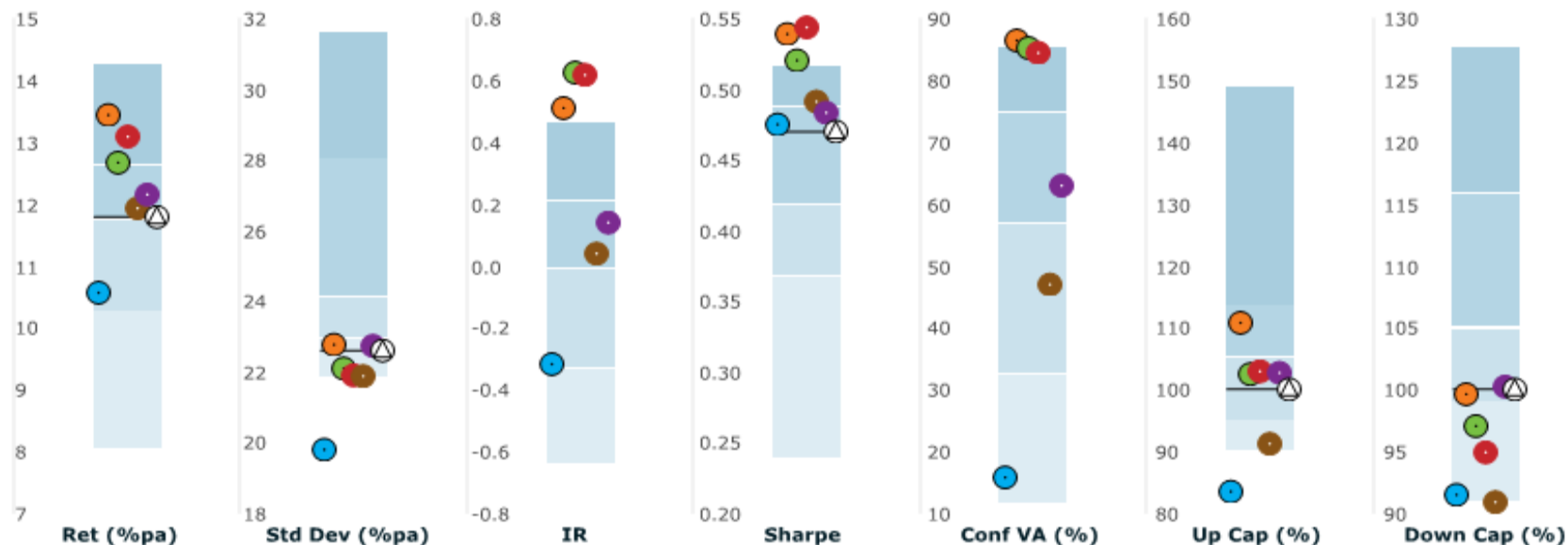
Returns based style analysis in \$US (after fees) over 5 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)



- On a trailing style basis, ACIM tended to exhibit performance closer to large value, while T. Rowe Price tended to skew smaller cap relative to the other candidates.

RISK STATISTICS – 5 YEAR (6/30/2021)

Performance characteristics vs. Russell Midcap Value in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (Percentile Ranking) (quarterly calculations)



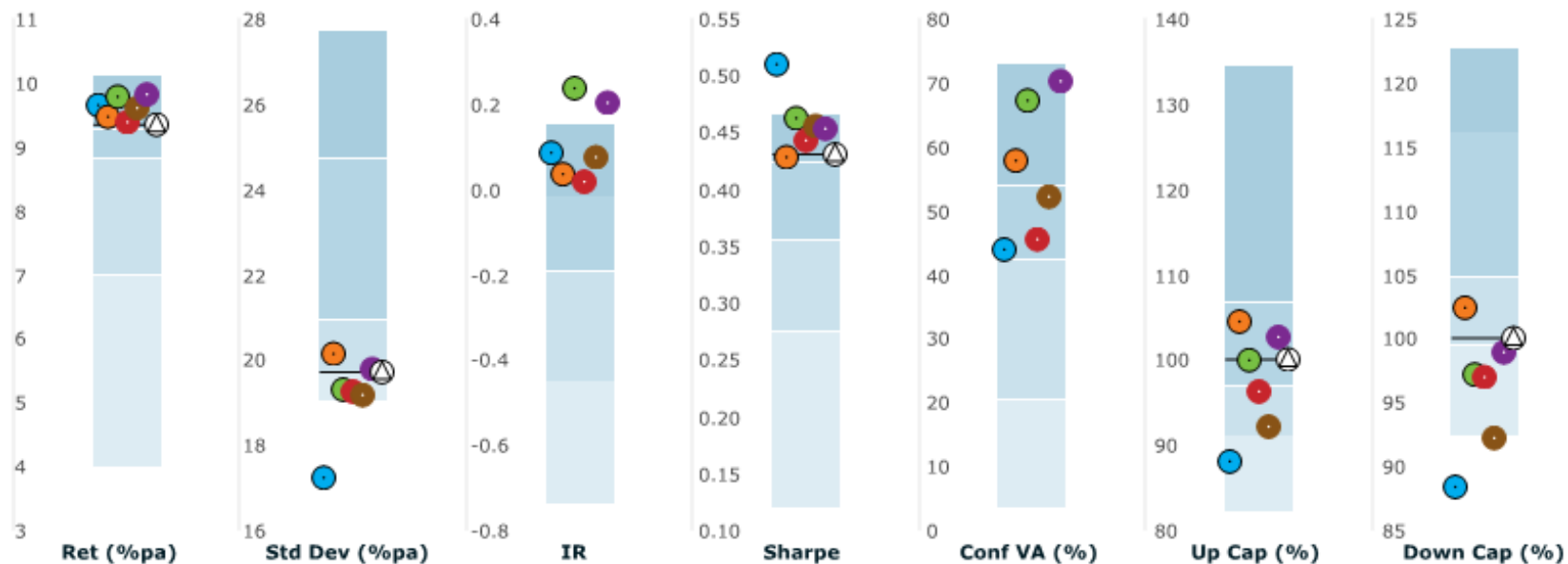
	Ret (%pa)	Std Dev (%pa)	IR	Sharpe	Conf VA (%)	Up Cap (%)	Down Cap (%)
ACIM	10.6 (74)	19.8 (100)	-0.3 (74)	0.5 (32)	15.8 (92)	83.5 (98)	91.5 (93)
Ceredex	13.4 (15)	22.8 (77)	0.5 (0)	0.5 (2)	86.4 (4)	110.8 (35)	99.6 (71)
MFS	12.7 (23)	22.1 (86)	0.6 (0)	0.5 (4)	85.2 (7)	102.5 (54)	97.0 (88)
Principal	13.1 (18)	21.9 (91)	0.6 (0)	0.5 (2)	84.4 (8)	102.9 (51)	94.9 (91)
T.Rowe	11.9 (44)	21.9 (96)	0.0 (44)	0.5 (22)	47.0 (60)	91.2 (89)	90.9 (96)
Wells Fargo	12.2 (39)	22.7 (77)	0.1 (36)	0.5 (27)	62.9 (46)	102.7 (51)	100.2 (69)
RUMCV	11.8 (49)	22.6 (78)	-	0.5 (32)	-	100.0 (64)	100.0 (69)
5th Percentile	14.2	31.6	0.5	0.5	85.4	149.0	127.6
Upper Quartile	12.6	28.0	0.2	0.5	74.9	113.6	115.8
Median	11.8	24.1	-0.0	0.4	56.8	105.2	105.0
Lower Quartile	10.3	23.0	-0.3	0.4	32.6	95.0	99.0
95th Percentile	8.0	21.9	-0.6	0.2	11.8	90.1	91.0
Number	46	46	46	46	46	46	46

- Ceredex, MFS and, Principal exhibit strong upside capture, while protecting in downside capture.
- All 3 likewise produced high confidence of value added and high Information Ratios over the trailing 5-year period.

The risk free rate used for these calculations is the US 3 month T-Bill

RISK STATISTICS – 7 YEAR (6/30/2021)

Performance characteristics vs. Russell Midcap Value in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (Percentile Ranking) (quarterly calculations)



	Ret (%pa)	Std Dev (%pa)	IR	Sharpe	Conf VA (%)	Up Cap (%)	Down Cap (%)
● ACIM	9.6(14)	17.2 (100)	0.1(14)	0.5(1)	43.9 (46)	88.0 (82)	88.4 (99)
● Ceredex	9.5(21)	20.1 (70)	0.0(20)	0.4(23)	57.8 (19)	104.5 (29)	102.4 (59)
● MFS	9.8(10)	19.3 (86)	0.2(3)	0.5(6)	67.2 (11)	99.9 (40)	97.2 (85)
● Principal	9.4(23)	19.2 (87)	0.0(23)	0.4(17)	45.5 (44)	96.2 (55)	97.0 (86)
● T.Rowe	9.6(15)	19.2 (93)	0.1(15)	0.5(10)	52.1 (33)	92.1 (73)	92.2 (98)
● Wells Fargo	9.8(9)	19.8 (72)	0.2(4)	0.5(11)	70.2 (9)	102.6 (33)	98.9 (76)
⊖ RUMCV	9.3(24)	19.7 (72)	-	0.4(20)	-	100.0 (40)	100.0 (73)
5th Percentile	10.1	27.7	0.2	0.5	72.8	134.4	122.7
Upper Quartile	9.3	24.7	-0.0	0.4	53.8	106.6	116.1
Median	8.8	20.9	-0.2	0.4	42.2	96.9	104.8
Lower Quartile	7.0	19.7	-0.5	0.3	20.5	91.0	99.4
95th Percentile	4.0	19.0	-0.7	0.1	3.5	82.3	92.4
Number	41	41	41	41	41	41	41

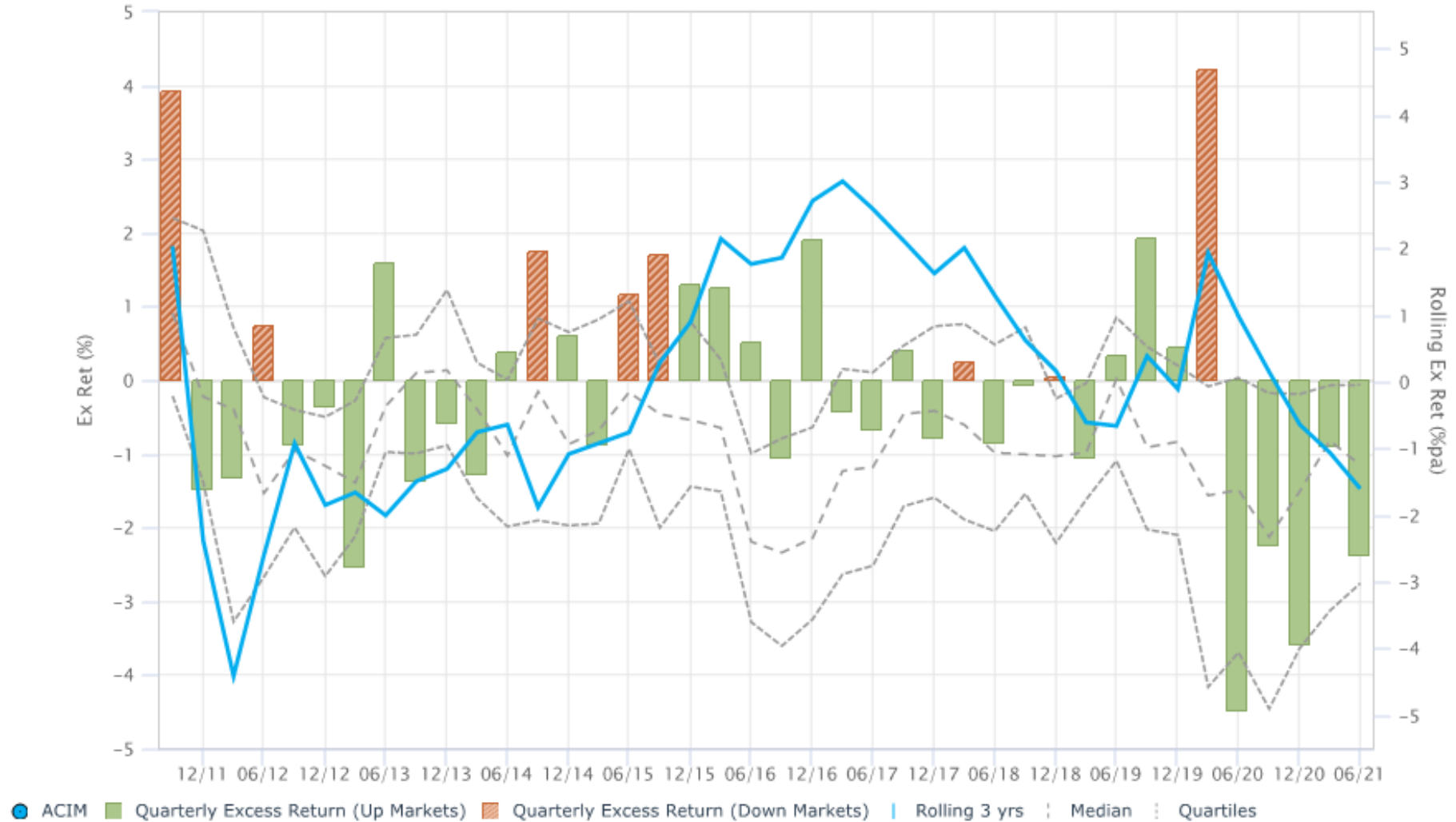
- All candidates are in the top quartile for information ratio over the 7-year period.
- Wells Fargo produced high confidence of value added, while WF and Ceredex performed the best in up markets.

The risk free rate used for these calculations is the US 3 month T-Bill

QUARTERLY EXCESS RETURN

American Century - U.S. Mid Cap Value

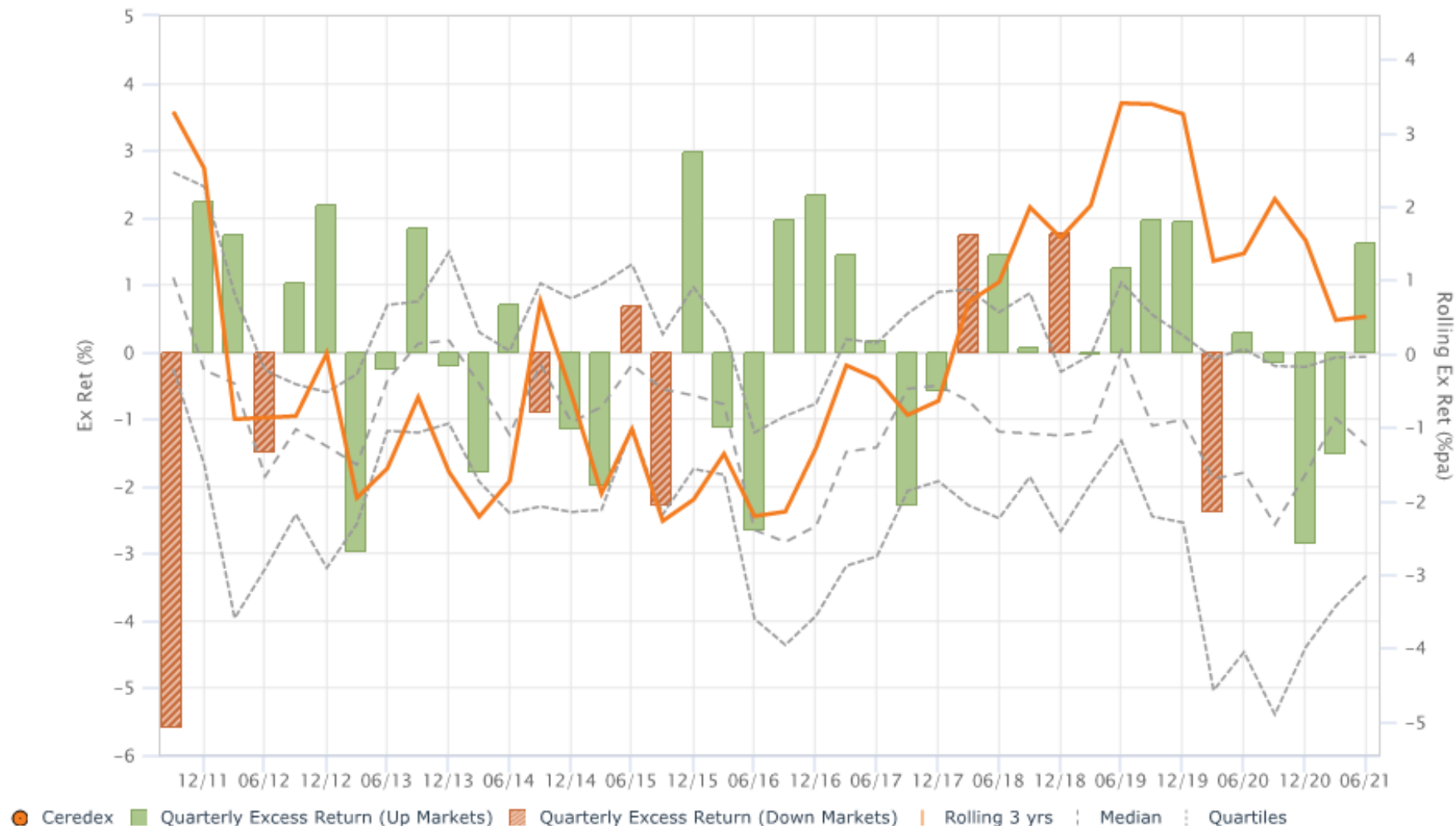
Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe



QUARTERLY EXCESS RETURN

Ceredex Mid Cap Value Equity

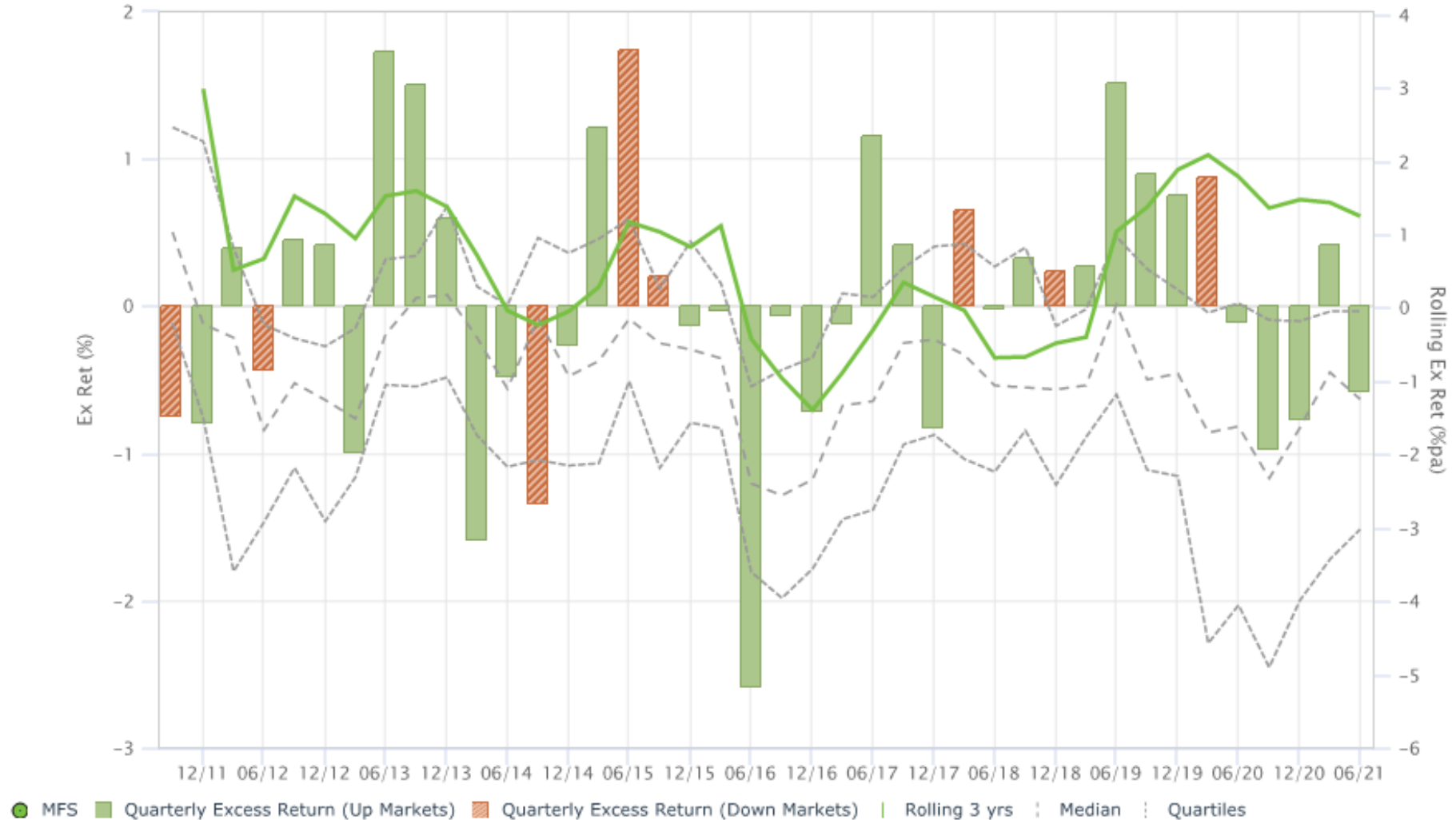
Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe



QUARTERLY EXCESS RETURN

MFS Mid Cap Value Equity

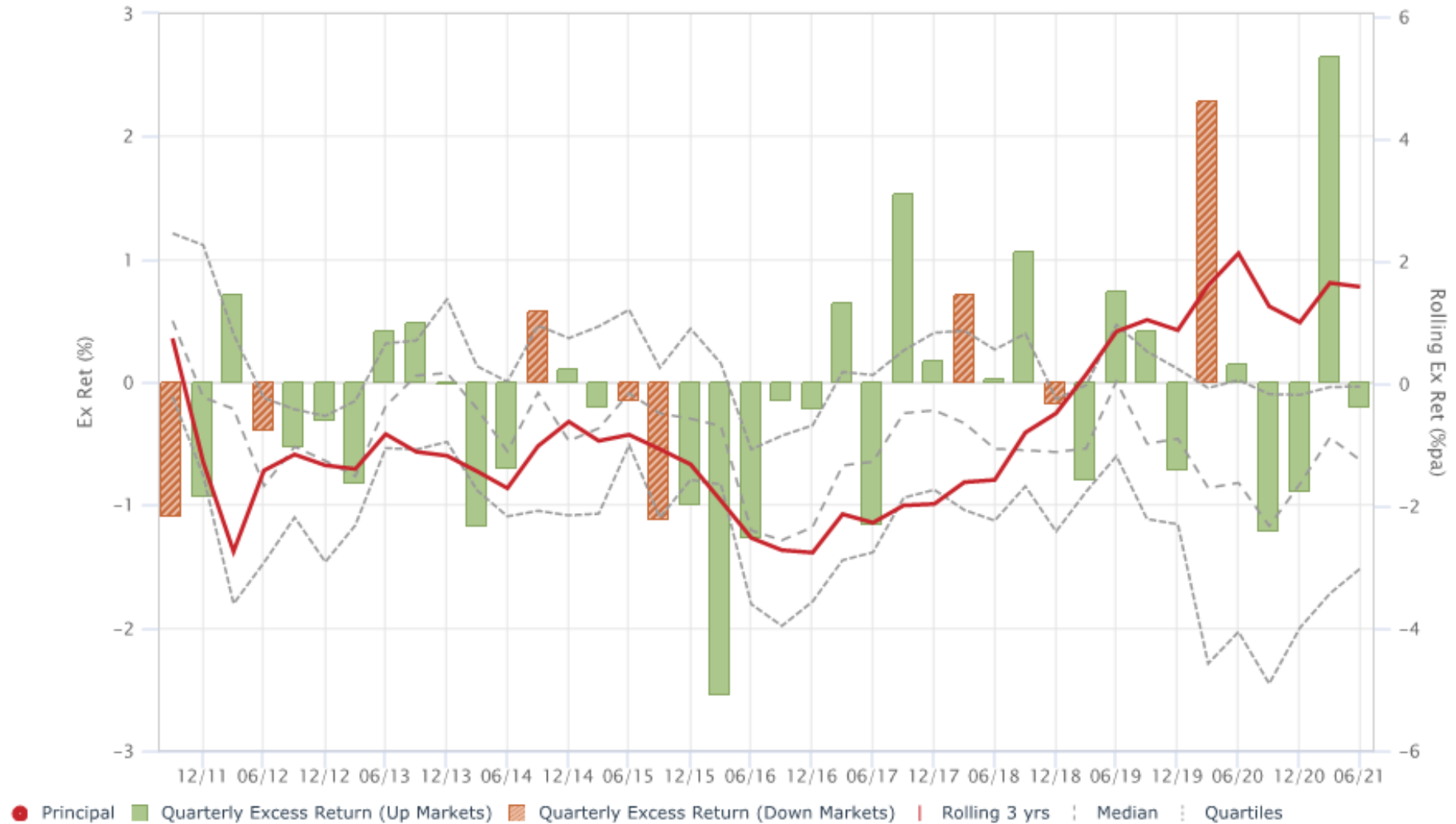
Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe



QUARTERLY EXCESS RETURN

Principal Global - Principal MidCap Value I

Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe

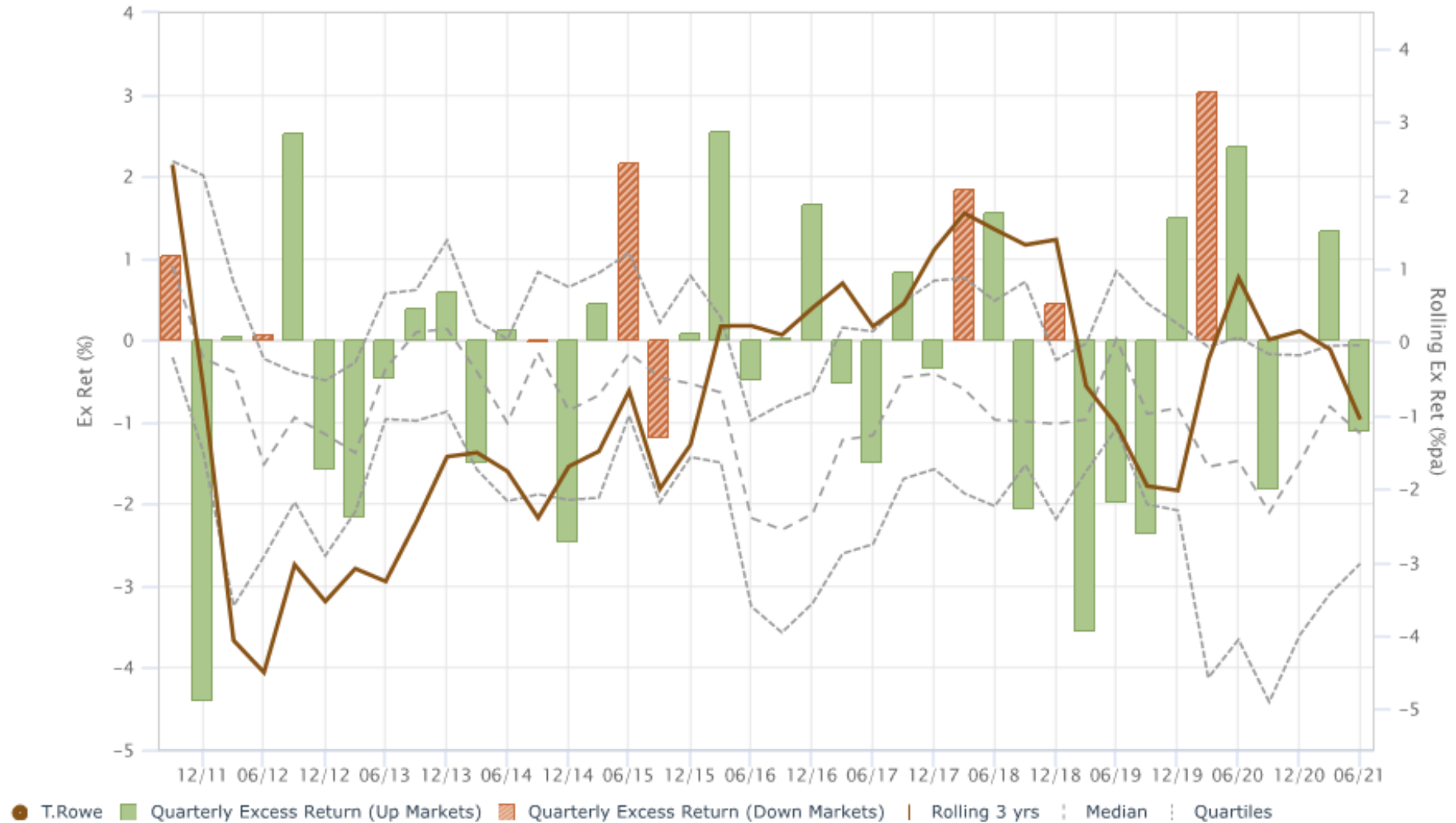


QUARTERLY EXCESS RETURN

T Rowe Price Mid-Cap Value Fund

Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21

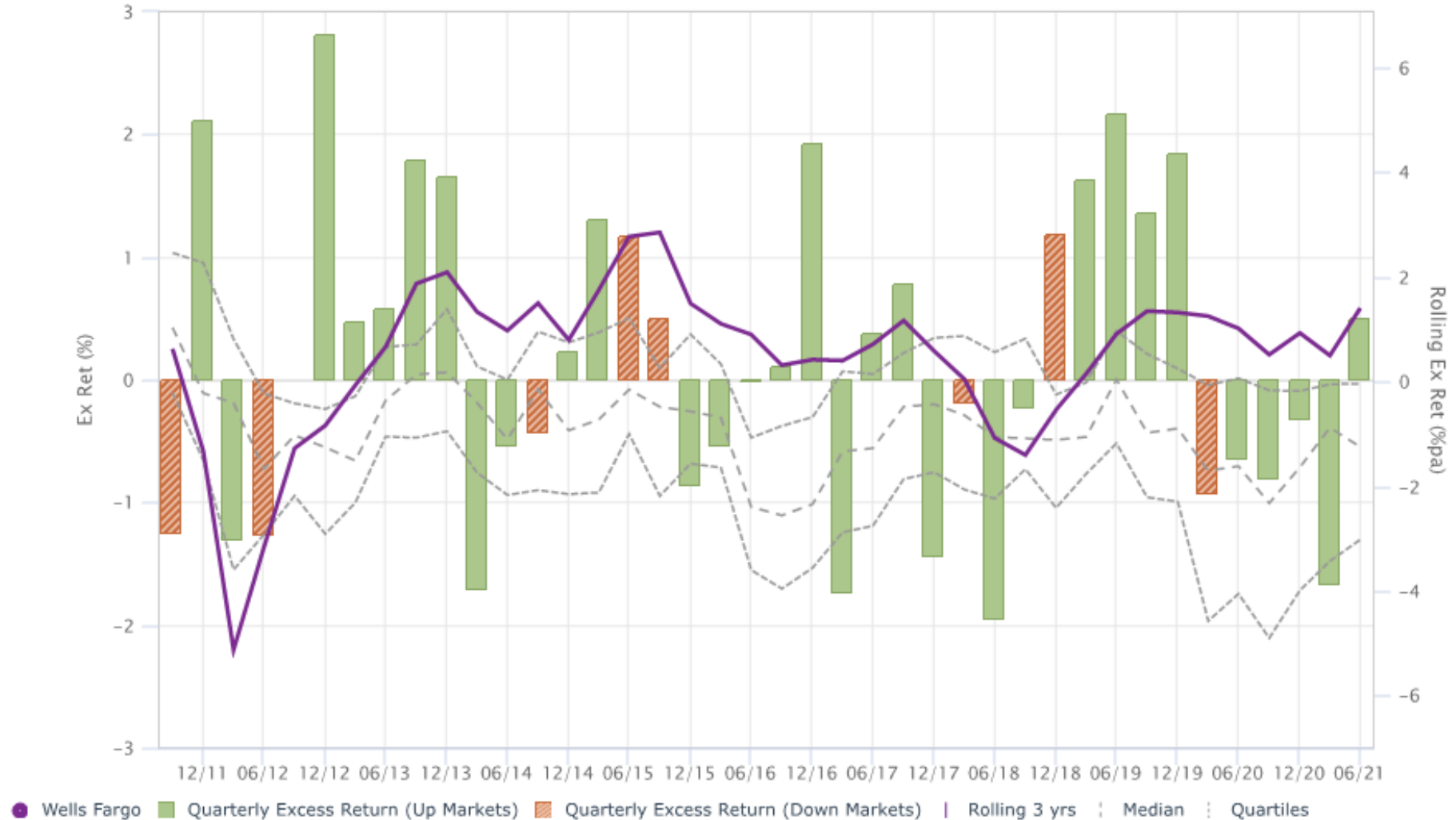
Comparison with the Mutual Fund US Equity Mid Cap Value universe



QUARTERLY EXCESS RETURN

Wells - Special U.S. Mid Cap Value Equity

Quarterly Excess Return vs. Russell Midcap Value with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Value universe



ROLLING 3-YEAR PERFORMANCE RANKINGS

Rolling 3 yr performance characteristics vs. Russell Midcap Value in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)

Name	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile		Average Percentile Rank	Outperform	
	No.	%	No.	%	No.	%	No.	%		No.	%
Mutual Fund US Equity Mid Cap Value Universe - Russell Midcap Value Index											
Products											
American Century - U.S. Mid Cap Value	15	53.6	6	21.4	7	25.0	0	0.0	25	18	64
Ceredex Mid Cap Value Equity	13	46.4	8	28.6	4	14.3	3	10.7	31	15	54
MFS Mid Cap Value Equity	12	42.9	15	53.6	1	3.6	0	0.0	25	16	57
Principal Global - Principal MidCap Value I	9	32.1	4	14.3	12	42.9	3	10.7	44	10	36
T Rowe Price Mid-Cap Value Fund	13	46.4	6	21.4	8	28.6	1	3.6	34	15	54
Wells - Special U.S. Mid Cap Value Equity	22	78.6	4	14.3	2	7.1	0	0.0	19	25	89
Benchmark											
Russell Midcap Value	10	35.7	17	60.7	1	3.6	0	0.0	32	28	0

- On a rolling 3-year basis, all managers consistently outperformed the median over the past 7 years, with the exception of Principal.

The benchmark result for Number Outperform represents the total number of observations in the period.

QUARTERLY UP / DOWN MARKET ANALYSIS

Performance characteristics vs. Russell MidCap Value TR in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Value universe (quarterly calculations)

Name	Up Markets			Down Markets			All Markets				
	Outperform		Excess (Av) (%pq)	Outperform		Excess (Av) (%pq)	Outperform		Excess (Av) (%pq)	Outperform (Av) (%pq)	Underperform (Av) (%pq)
	No.	%		No.	%		No.	%			
Mutual Fund US Equity Mid Cap Value Universe - Russell Midcap Value Index											
Products											
American Century - U.S. Mid Cap Value	11	34	-0.6	8	100	1.7	19	48	-0.1	1.3	-1.4
Ceredex Mid Cap Value Equity	18	56	0.2	3	38	-1.1	21	53	0.0	1.5	-1.7
MFS Mid Cap Value Equity	15	47	0.0	5	63	0.2	20	50	0.1	0.8	-0.7
Principal Global - Principal MidCap Value I	13	41	-0.2	3	38	0.1	16	40	-0.1	0.8	-0.7
T Rowe Price Mid-Cap Value Fund	15	47	-0.4	6	75	0.9	21	53	-0.1	1.2	-1.5
Wells - Special U.S. Mid Cap Value Equity	17	53	0.2	3	38	-0.2	20	50	0.2	1.2	-0.9
Benchmark											
Russell Midcap Value	32	0	0.0	8	0	0.0	40	0	0.0	na	na
Group Statistics											
Upper Quartile	17	53	0.3	4	44	0.0	21	53	0.0	2.4	-1.3
Median	16	50	0.0	3	38	-1.1	19	48	-0.1	1.8	-1.9
Lower Quartile	14	44	-0.2	2	25	-2.3	18	44	-0.3	1.2	-2.7
Number	35	35	35	35	35	35	35	35	35	35	35

- Over the trailing 10-year period, Ceredex and Wells Fargo have outperformed in the majority of up markets, while ACIM, MFS and T. Rowe Price have outperformed in the majority of down markets.

The benchmark results represent the total number of up markets, down markets and observations in the period.

CORRELATION

Correlation of Returns in \$US (after fees) over 5 yrs ending June-21 (quarterly calculations)

	American	Ceredex	MFS	Principal	T.Rowe	Wells Fargo	RUMCV
American		0.98	0.99	0.99	0.98	0.99	0.99
Ceredex			0.99	0.98	0.97	0.99	0.99
MFS				1.00	0.98	0.99	1.00
Principal					0.99	0.99	1.00
T.Rowe						0.97	0.99
Wells Fargo							0.99
RUMCV							

- All managers exhibit strong correlations relative to the Russell Midcap Value Index reflecting their appropriateness of fit for this mandate.

Notes:
Correlation is shown in the right hand side of the table.

APPENDIX

PERFORMANCE NOTES

- **ACIM** : Composite performance net of 0.58% fee.
- **Ceredex (Incumbent)** : Composite performance net of 0.60% fee.
- **MFS** : Composite performance net of 0.50% fee.
- **Principal** : Mutual fund vehicle (I shares ticker: PVMIX with an expense ratio of 0.72% shown due to shorter track record of R6 shareclass)
- **T. Rowe Price** : Composite performance net of 0.64% fee.
- **Wells Fargo** : Composite performance net of 0.47% fee.

MINIMUM QUALIFICATIONS

- The minimum qualifications outlined in section 2.2 of the RFP for the International Developed Markets Equity mandate are included below:
 - Investment style consistent with an active mid-cap value equity manager and categorized in Mercer GIMD or other commercially available database as mid-cap value equity strategy
 - Stated benchmark of the strategy will be representative of the style
 - Russell Mid-Cap Value Index), and strategy will have high correlation with the benchmark (similar to median of peer group or higher).
 - Strategy track record of 5 years or longer
 - Risk-adjusted net performance (as measured by Sharpe ratio and/or Information Ratio) better than median over trailing 5-year period ending most recent quarter
 - Minimum assets under management in strategy of \$1 billion
 - Maximum assets under management in strategy of \$25 billion
 - Investment expense, after all rebates, equal to or less than 0.85%

IMPORTANT NOTICES

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Each index reflects a group of unmanaged securities. It is not possible to invest directly in an index.

Before investing, consider the investment options' or funds' investment objectives, risks, charges, and expenses. Visit the appropriate fund company website listed in the appendix for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read it carefully.

An investment's placement along the risk spectrum is based on market risk and credit risk. Other factors considered include prospectus objectives, degrees of diversification, characteristics of typical holdings, and historical volatility of the fund and its benchmark. Risks will vary. This spectrum does not represent actual or implied performance.

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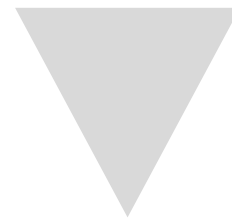
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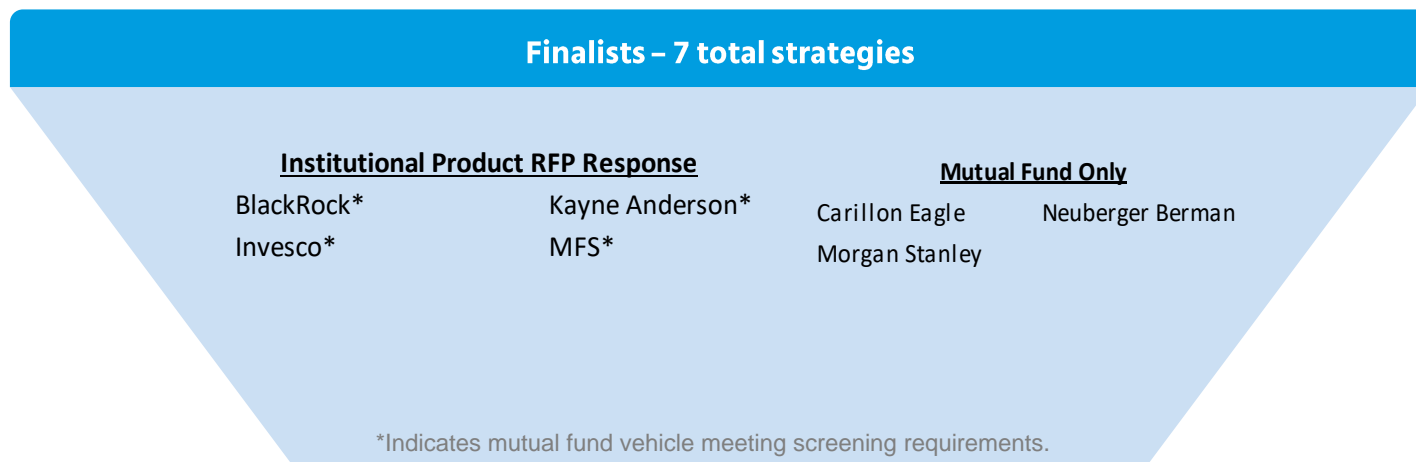
Deferred Compensation Plan

Mid Cap Growth Equity
Search – Stage 2

September 2021



BACKGROUND



- For the Mid Cap Growth Equity manager search, the City received 12 RFP responses, of which 10 met the minimum requirements outlined in section 2.2 of the RFP.
- In addition to the institutional products, Mercer evaluated 26 mutual funds, 25 of which passed the minimum requirements for Stage 1 evaluation presented to the City in August 2021.
- Stage 1 resulted in 7 candidates emerging as finalists, and they are reviewed throughout this document.
- In addition, we have included the incumbent manager Voya who did not pass the Stage 1 evaluation due to performance metrics for reference.

STAGE 2 CANDIDATES

- 7 finalist candidates (4 RFP respondents and 3 Mutual Funds) are presented in this document:
 - BlackRock*
 - Eagle Asset Management - *Mutual Fund*
 - Invesco*
 - Kayne Anderson Rudnick Investment Management*
 - MFS Investment Management*
 - Morgan Stanley Investment Management- *Mutual Fund*
 - Neuberger Berman - *Mutual Fund*
 - Voya Investment Management - (*incumbent, added for comparative purposes*)

Notes:

- All performance is net of fees, unless otherwise noted
- Portfolio characteristics and performance exhibits are as of 6/30/21, unless otherwise noted
- Mandate size is approximately \$131.1 million as of June 30, 2021

* Eligible mutual fund also available

SUMMARY EVALUATION MATRIX

	Manager			Strategy		Performance			Fees
	Business Strength	Team Depth	Personnel Stability	AUM	Appropriate Fit for Mandate	Long-Term Performance (7-Year)	Performance Consistency (7-Year)	Information Ratio (7-Year)	Attractiveness of Fees
BlackRock	✓	✓	✓	✓	✓	✓	✓	✓	✓
Eagle	✓	✓	✓	✓	✓	=	✓	✓	✗
Invesco	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kayne	✓	✓	✓	✓	✓	✓	✓	✓	=
MFS	✓	✓	✓	✓	✓	✓	✓	✓	✓
Morgan Stanley	✓	✓	✓	✓	✗	✓	✓	✓	✗
Neuberger Berman	✓	✓	✓	✓	✓	=	✓	=	=

SUMMARY EVALUATION

- **Firm strength** – All candidates have well run businesses with substantial levels of overall assets under management and internal resources to support the DCP.
- **Strategy team depth and stability** – All candidates possess strong depth in terms of team resources devoted to the respective strategies, and there hasn't been notable turnover on a strategy level for any of the candidates. MFS and Morgan Stanley have seen net additions to their respective portfolio teams.
- **Strategy Assets Under Management (AUM)** – All strategies have sufficient assets under management such that the DCP would not represent a disproportionate percentage of strategy assets, though Neuberger Berman and Kayne are notably smaller than peers.
- **Mandate fit** – Ultimately, it is desirable for the strategy to reside close to “Growth” from a style perspective and within range of benchmark market cap. On this note, all managers have a strong growth tilt.
- **Performance** – Generally all candidates have strong performance on a risk adjusted basis.
- **Fees** – fee proposals represent attractive pricing to the DCP. BlackRock, Invesco and MFS are most attractive.

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
BlackRock	<p>BlackRock was founded in 1988 and has made some significant changes and acquisitions in the past several years. In September 2006, BlackRock merged with Merrill Lynch Investment Managers (MLIM), which combined the history and experience of MLIM with the innovation and technology of BlackRock. In 2007, BlackRock acquired the fund of funds business of Quellos Group. Finally, in 2009, BlackRock acquired Barclays Global Investors (BGI). BGI, at that time, was the world's largest institutional investment manager, with over \$1 trillion in client assets and a focus on global indexed and quantitative strategies. The combined business provides traditional active and passive fixed income and equity strategies, as well as hedge fund, private equity, and real asset fund of funds to institutional and individual investors worldwide. Blackrock has been publicly traded since 1999 under the symbol "BLK" and is headquartered in New York, with investment management offices throughout the world.</p>	<p>Strategy employs a bottom-up, fundamental investment process to identify long-term growth-oriented investment opportunities in mid-cap companies. The strategy invests in companies that demonstrate either stable sustainable growth or accelerated earnings, and seeks to invest in business models that have the potential to generate high free cash flows.</p>
Eagle Asset Management	<p>Eagle Asset Management (Eagle) is a wholly owned subsidiary of Carillon Tower Advisers (CTA), which is a wholly owned subsidiary of Raymond James Financial, Inc. (RJF), founded in 1976. Eagle was incorporated in 1976 (then known as RJ Asset Management) and is located in St. Petersburg, Florida. Eagle operates autonomously both in policy and in day-to-day operations. In December 2015, Eagle became an affiliate of CTA, which was formed under the RJF umbrella to offer a suite of scalable business support solutions to Eagle and its affiliated management teams that include ClariVest Asset Management, Reams Asset Management, Scout Investments and Cougar Global Investments.</p>	<p>Eagle believes the best long-term opportunities are those that exhibit rapid growth at reasonable prices. The team seeks to identify such companies through bottom-up, fundamental research, in the belief that these companies may be mispriced as a result of relative inefficiencies in the mid cap market. The team specifically seeks companies that have growth catalysts, strong management with insider ownership, high or expanding earnings growth (target 20%), and high or expanding return on equity. The bottom-up research incorporates the use of industry contacts, third-party research, investment conferences, and publications as informational resources. The team attempts to identify positive catalysts such as a beneficial change in management, a new product, a divestiture, a restructuring, or a change in the competitive landscape.</p>
Invesco	<p>Invesco was originally incorporated in December 1935. Although several of the firm's constituent corporate entities are significantly older, Invesco in its modern form was created by the 1997 combination of two asset management businesses: Invesco and AIM, both of which had been founded in the 1970s. The firm is listed on the New York Stock Exchange, and employees retain approximately 10% of the ownership of the firm. In 2010, Invesco completed its purchase of Morgan Stanley Investment Management's retail asset management business, including Van Kampen Investments. In 2019, Invesco completed its acquisition of OFI Global Asset Management (OFIGAM) with OFIGAM's parent company, MassMutual, becoming Invesco's largest shareholder. Invesco offers products in multiple assets classes and has investment and client service offices around the world.</p>	<p>Invesco believes that solid long-term, risk-adjusted returns come from investing in high quality, high growth companies that are likely to outperform over a full market cycle. Assessing company management is crucial to gauging growth prospects, and the strategy aims to add long-term value through specialized fundamental research. Invesco believes this focus provides deeper insight and greater potential to outperform by selecting the right companies. Invesco leverages the team's depth of experience in the industry and their experience together at the firm investing in small and mid-cap companies to identify market over- or under- reactions to new information.</p>

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
<p>Kayne Anderson Rudnick Investment Management</p>	<p>Kayne Anderson Rudnick (KAR) was founded in 1984 by two successful entrepreneurs, Richard Kayne and John Anderson, to manage the funds of its principals and clients. John Anderson was a prominent Los Angeles attorney and businessman, member of the Forbes 400 and named benefactor of The Anderson School of Business at The University of California, Los Angeles. The firm, headquartered in Los Angeles, is wholly owned by Virtus Investment Partners, Inc. (NASDAQ: VRTS).</p>	<p>The Kayne Anderson Rudnick (KAR) Mid-Cap Sustainable Growth strategy is a fundamental, research-oriented approach that invests exclusively in "high-quality" mid-cap companies. KAR defines "high quality" as a business characteristic that results from a company's ability to source and develop control of its markets. Evidence of this control of markets is characterized by consistent and sustainable growth and profitability through a full economic cycle, high returns on capital, and strong free cash flow supported by an underleveraged balance sheet. The strategy seeks out high quality companies where they believe growth projections differ from street expectations for factors like revenue growth, market share, margin expansion or earnings growth. Key differentiators of the firm's investment approach are 1) An exclusive focus on "high-quality" companies; 2) a "business analyst" approach to evaluating potential investment opportunities; and 3) a focused, yet diversified, portfolio.</p>
<p>MFS Investment Management</p>	<p>MFS Investment Management (MFS) was originally founded in 1924, and became a wholly-owned subsidiary of Sun Life Financial of Canada (Sun Life) in 1982. In 1996, MFS initiated a program that offers senior management and investment professionals the opportunity to participate in non-voting equity ownership of the firm. MFS employees own 20% of the firm. In 2011, Sun Life transferred its investment subsidiary, Canadian-based McLean Budden, to MFS. The transfer was finalized in 2013. MFS is headquartered in Boston with investment management offices in London, Tokyo, Singapore, Sydney, Hong Kong, Sao Paulo, Mexico City, and Toronto.</p>	<p>The equity philosophy employed by MFS features active, bottom-up management based on fundamental analysis. The firm uses quantitative tools to supplement traditional research, but stresses internal fundamental research as its primary strength. The Mid Cap Growth Equity strategy is growth-oriented, though valuations are considered in the process.</p>
<p>Morgan Stanley Investment Management</p>	<p>Morgan Stanley Investment Management (MSIM), founded as Morgan Stanley Asset Management (MSAM) in 1975, is the institutional asset management division of Morgan Stanley & Co, a publically listed bank. In 1996, MSAM's parent, then Morgan Stanley & Co., acquired Miller Anderson & Sherrerd, LLP, a Philadelphia-based investment manager focused on institutional fixed income products. Van Kampen was acquired the same year to increase the firm's presence in the US mutual fund market. In 1997, Morgan Stanley Group Inc. merged with Dean Witter Discover & Company to form Morgan Stanley Dean Witter & Co. The name changed to Morgan Stanley Dean Witter Investment Management in 1998, and then to Morgan Stanley Investment Management in 2001. In 2010 MSIM completed the sale of its retail business, Van Kampen, to Invesco. In 2020, MSIM announced the acquisition of Eaton Vance, with the deal closing in March 2021. MSIM is headquartered in New York, and its investment offices include London, Amsterdam, Tokyo, Singapore and Mumbai.</p>	<p>The strategy seeks to invest in growth stocks that have stable business models, generate excess cash flow (that is reinvested to fuel growth), and consistently deliver above expected earnings. MSIM's Growth team believes that favorable stock selection is primarily a function of making long-term investments in companies with sustainable competitive advantages and the ability to redeploy capital at high rates of return. Additionally, the team believes that the development of insights and big ideas is valuable to the investment process, whereas obsession over incremental information flow is not. The team sources ideas through a variety of channels including sell side research, industry experts, a network of external industry contacts, and Morgan Stanley's US research group. The team is agnostic to company domicile, however, the majority of a company's sales must come from within the United States. As a result, the strategy will invest in ADRs.</p>

MANAGER OVERVIEW

Candidate	Manager Background	Strategy Description & Process
Neuberger Berman	<p>Neuberger Berman (Neuberger) is a 100% employee-owned and controlled company dedicated to delivering a broad range of investment capabilities. The firm was founded in 1939 as a New York limited partnership. In 1999, it sold a portion of its equity to the public, keeping the majority interest in the hands of former partners and employees. In 2003, Neuberger was acquired by Lehman Brothers Holdings Inc. (Lehman) in a cash and stock transaction. The current entity was formed in 2009, emerging from the bankruptcy of Lehman the prior year. Neuberger's management team led a buyout of various components of Lehman's Investment Management Division, including the original Neuberger business. Neuberger is headquartered in New York City with offices around the globe.</p>	<p>Neuberger's believes that investing in quality mid cap growth companies has the potential to add value over the long term. The quality element reflects Neuberger's preference for companies that can generate consistent growth regardless of the market environment. It seeks profitable investment opportunities through both company-specific fundamental research and the early identification of growth themes. Trends and themes are identified in the market environment to help guide idea generation.</p>

MERCER RESEARCH ASSESSMENT

While not part of the evaluation process, Mercer research ratings and evaluations are provided, where available, for additional context.

MERCER RESEARCH EVALUATION SUMMARY					
	Manager Rating	Idea Generation	Portfolio Construction	Implementation	Business Management
BlackRock	R	N/A	N/A	N/A	N/A
Eagle	B+	■■■□	■■■□	■■■□	■■■□
Invesco	N	N/A	N/A	N/A	N/A
Kayne	N	N/A	N/A	N/A	N/A
MFS	N	N/A	N/A	N/A	N/A
Morgan Stanley	R	N/A	N/A	N/A	N/A
Neuberger Berman	R	N/A	N/A	N/A	N/A
Voya - Incumbent	B+	■■■□	■■■□	■■■□	■■■□

MERCER RATINGS SCALE

A

Strategies assessed as having “**above average**” prospects of outperformance

B+

Strategies assessed as having “**above average**” prospects of outperformance, but with some reservations.

B

Strategies assessed as having “**average**” prospects of outperformance

C

Strategies assessed as having “**below average**” prospects of outperformance

R

The **R rating** is applied in two situations:

1. Mercer has carried out some research, but has not completed its full investment strategy research process
2. Mercer has in the past carried out its full investment strategy research process on the strategy, but we are no longer maintaining full research coverage

N

No rating, strategies not currently rated by Mercer

W

Watch: where there is some uncertainty about a rating that we do not expect to be resolved soon, but consider it unlikely that it will lead to a rating change

T

Tracking error: potential for high tracking error or high volatility

P

Provisional rating: where there is uncertainty about a rating that we expect to resolve quickly

Please see the Guide to Mercer’s Investment Strategy Ratings <https://www.mercer.com/content/dam/mercer/attachments/private/nurture-cycle/gl-2020-wealth-guide-to-mercers-investment-strategy-research-ratings-mercer.pdf>

MERCER OVERALL ASSESSMENT

Candidate	Mercer Rating	Overall Assessment
BlackRock	R	Mercer does not formally rate the strategy.
Eagle Asset Management	B+	We have a positive view of portfolio managers Bert Boksen, Eric Mintz, and Chris Sassouni. With the support of a stable group of dedicated analysts, the team adheres to a well-defined process that seeks rapidly growing companies exhibiting strong catalysts and reasonable stock prices. We believe the strategy benefits from the team's thorough fundamental research and its clear focus. Furthermore, the team appears to consistently maintain a balance between generating new ideas and monitoring existing positions to ensure that its best ideas are well represented in the portfolio. While we believe the strategy has above-average prospects for outperformance, there are other strategies in the space in which Mercer has higher conviction.
Invesco	N	Mercer does not formally rate the strategy.
Kayne	N	Mercer does not formally rate the strategy.
MFS	N	Mercer does not formally rate the strategy.
Morgan Stanley Investment Management	R	Historically, the strategy benefited from a rigorous vetting process which was born out of a stable, collaborative, and collegial research team led by portfolio manager Dennis Lynch. Lynch has the support of portfolio managers David Cohen and Sam Chainani. Assets under management historically across several overlapping strategies has been a concern which has precluded us from rating the strategy.
Neuberger Berman	R	Mercer does not formally rate the strategy.
Voya Investment Management (incumbent)	B+	The basis for our rating centers on portfolio manager Jeff Bianchi who, with the backing of a sensible investment philosophy, we view as a skilled, disciplined investor that consistently executes on a tenured investment process. A dedicated team of growth analysts, whose collective stock selection is an important lever to the strategy's success, supports Bianchi. Although we have a high opinion of Bianchi, his philosophy and his disciplined process execution, stock selection in a few key sectors has driven the bulk of the long-term performance. For us to consider a higher rating, we would need to observe improved analyst team stability coupled with a broader distribution of sector contribution to positive stock selection over a full market cycle.

OVERVIEW

Quantitative Scorecard

Funds	Performance Characteristics (over 5 Years ending June-21)	% of time out-performing (all/up/down markets over 5 Years ending June-21)	Portfolio Characteristics (AUM as of 6/30/21)
Blackrock Mid Cap Growth Equity	Ret (%p.a.): 26.1 (8) Tracking error (%pa): 5.7 (47) Information ratio: 1.0 (3) Return/SD: 1.2 (4)	All Markets: 65% Up markets: 69% Down markets: 50%	AUM (\$MM): 17,738 Inception year: 2002 Market cap (\$MM): 23,015 No. of stocks held: 66 Avg. turnover(%):70
Carillon Eagle Mid Cap Growth R6	Ret (%p.a.): 21.9 (28) Tracking error (%pa): 3.6 (80) Information ratio: 0.4 (21) Return/SD: 0.9 (38)	All Markets: 55% Up markets: 69% Down markets: 0%	AUM (\$MM): 10,620 Inception year: 1998 Market cap (\$MM): 32,601 No. of stocks held: 92 Avg. turnover(%): 35
Invesco Mid Cap Growth	Ret (%p.a.): 21.6 (30) Tracking error (%pa): 3.7 (78) Information ratio: 0.3 (27) Return/SD: 1.0 (21)	All Markets: 65% Up markets: 63% Down markets: 75%	AUM (\$MM): 8,728 Inception year: 2009 Market cap (\$MM): 25,121 No. of stocks held: 88 Avg. turnover(%): 100%
Kayne Mid Cap Sustainable Growth	Ret (%p.a.): 29.4 (2) Tracking error (%pa): 9.5 (8) Information ratio: 0.9 (4) Return/SD: 1.2 (2)	All Markets: 60% Up markets: 69% Down markets: 25%	AUM (\$MM): 3,594 Inception year: 2012 Market cap (\$MM): 28,048 No. of stocks held: 53 Avg. turnover(%): 30

OVERVIEW

Quantitative Scorecard

Funds	Performance Characteristics (over 5 Years ending June-21)	% of time out-performing (all/up/down markets over 5 Years ending June-21)	Portfolio Characteristics (AUM as of 6/30/21)
MFS Mid Cap Growth Equity	Ret (%pa): 21.5 (30) Tracking error (%pa): 4.9 (62) Information ratio: 0.2 (30) Return/SD: 1.1 (7)	All Markets: 50% Up markets: 44% Down markets: 75%	AUM (\$MM): 18,299 Inception year: 2009 Market cap (\$MM): 25,259 No. of stocks held: 109 Avg. turnover(%): 31.4
Morgan Stanley Inst Discovery IS	Ret (%p.a.): 39.8 (0) Tracking error (%pa): 21.4 (0) Information ratio: 0.9 (4) Return/SD: 1.1(10)	All Markets: 65% Up markets: 75% Down markets: 25%	AUM (\$MM): 8,450 Inception year: 2002 Market cap (\$MM): 29,280 No. of stocks held: 51 Avg. turnover(%): 30
Neuberger Berman Mid Cap Growth R6	Ret (%p.a.): 21.2 (33) Tracking error (%pa): 2.8 (93) Information ratio: 0.3 (28) Return/SD: 1.0 (21)	All Markets: 65% Up markets: 69% Down markets: 50%	AUM (\$MM): 2,723 Inception year: 1979 Market cap (\$MM): 25,169 No. of stocks held: 88 Avg. turnover(%): 50
Voya MidCap Opportunities Port I (incumbent)	Ret (%p.a.): 19.2 (60) Tracking error (%pa): 3.9 (74) Information ratio: -0.3 (61) Return/SD: 0.9 (36)	All Markets: 35% Up markets: 31% Down markets: 50%	AUM (\$MM): 5,013 Inception year: 2005 Market cap (\$MM): 29,818 No. of stocks held: 63 Avg. turnover(%): 90

FACTS AND FIGURES

CANDIDATE SUMMARY

Firm	Candidate Characteristics (as of 6/30/2021)					
	Headquarters	Firm Ownership	Firm AUM (billions)	Strategy AUM (billions)	Strategy Inception Year	# of PMs / # of Analysts
BlackRock	New York, NY	Public and Employees 100%	\$9,496.0	\$17.7	2002	2 / 11
Eagle	St Petersburg, FL	Carillon Tower Advisers 100%	\$33.8	\$10.6	1998	3 / 4
Invesco	Atlanta, GA	Publicly Traded 83% Invesco(& affiliates)employees 17%	\$1,525.0	\$8.7	2009	2 / 4
Kayne	Los Angeles, CA	Virtus Investment Partners 100%	\$61.2	\$3.6	2012	2 / 2
MFS	Boston, MA	Sun Life Financial Inc. 80% Employee owned 20%	\$661.4	\$18.3	2009	4 / 72
Morgan Stanley	New York, NY	Morgan Stanley 100%	\$875.3	\$8.5	2002	6 / 16
Neuberger Berman	New York, NY	Neuberger Berman 100%	\$433.2	\$2.7	1979	1 / 3
Voya (incumbent)	New York, NY	Voya Financial, Inc. 100%	\$257.9	\$5.0	2005	3 / 8

Key observation:

- All of the managers are established firms with reasonable levels of strategy assets in this space.

STRATEGY ASSETS

Firm	As of June 30, 2021			From June 30, 2018 to June 30, 2021			
	Strategy assets (\$MM)	Number of clients ¹	Largest Account Size (\$MM)	Accounts Gained (#)	Accounts Gained (\$MM)	Accounts lost (#)	Accounts lost (\$MM)
BlackRock	17,738	3	14,954	Not Provided	1,317	0	0
Eagle	10,620	36	23	9	49	2	13
Invesco	8,728	3	7,460	Not Provided	Not Provided	Not Provided	Not Provided
Kayne	3,594	105	3,389	100 ²	63	10	8
MFS	18,299	13	814	6	1,473	0	0
Morgan Stanley	8,450	7	2,618	Not Provided	Not Provided	Not Provided	Not Provided
Neuberger Berman	2,723	3	0	Not Provided	Not Provided	Not Provided	Not Provided
Voya (incumbent)	5,013	33	461	0	0	3	413

Key observations:

- BlackRock and MFS have tended to have the most positive new client growth in recent years.

¹The Mutual Fund vehicle is shown as 1 client.

²Includes retail clients

PERSONNEL

Firm	As of June 30, 2021		Investment professional strategy turnover from June 30, 2018 to June 30, 2021	
	Total investment professionals	Investment professionals in strategy	Additions	Departures
BlackRock	2,570	16	0	0
Eagle	58	7	0	0
Invesco	836	6	0	0
Kayne	63	4	0	0
MFS	251	76	20	5
Morgan Stanley	719	22	10	0
Neuberger Berman	1,208	4	1	1
Voya (incumbent)	471	11	1	3

Key observations:

- Staffing appears reasonable at all firms, and none of the candidates have seen net departures from the respective strategies.
- MFS and Morgan Stanley have seen additions to the strategies at the analyst level.

SELECTED PORTFOLIO GUIDELINES

Firm	Minimum market cap (\$MM)	Maximum market cap (\$MM)	Number of stocks typically held	Average cash position over last 5 years (%)	Average portfolio turnover over last 5 years(%)
BlackRock	1,000	25,000	55-85	2	70
Eagle	1,633	48,000	91	1	35
Invesco	5	N/A	90-100	2	100
Kayne	500	50,000	52	3	30
MFS	500	25,000	113	2	31
Morgan Stanley	800	20,000	53	3	30
Neuberger Berman	2,000	35,000	87	3	50
Voya (incumbent)	1,000	20,000	67	2	90

Key observations:

- Eagle, Kayne and Invesco have the least constrained approaches to eligible stocks based on Market cap.
- Kayne and Morgan Stanley run concentrated approaches.
- Invesco has the highest average turnover.

SELECTED PORTFOLIO GUIDELINES

	# of Holdings	% in Top 10 Holdings	Market Cap (\$M)	Dividend Yield	Price / Earnings	Price / Book
BlackRock	66	26.79	23,015	0.20	76.92	10.01
Eagle	92	21.71	32,601	0.31	50.13	8.01
Invesco	88	21.23	25,121	0.23	55.22	8.88
Kayne	53	34.67	28,048	0.20	149.30	11.11
MFS	109	21.68	25,259	0.34	51.81	8.33
Morgan Stanley	51	43.67	29,280	0.03	70.8	14.01
Neuberger Berman	88	18.27	25,169	0.24	51.61	8.17
Voya (incumbent)	63	26.49	29,818	0.30	68.25	10.28
Russell MidCap Growth	390	11.12	26,293	0.48	75.76	12.50

Key observations:

- Morgan Stanley represents the most concentrated strategy with over to 40% of holdings in the top ten. Neuberger Berman, Invesco, Eagle and MFS are the most diversified, with the highest number of holdings and less concentration in the top 10.
- The candidates tend to be in-line with the benchmark market cap, although Eagle has the highest market cap.
- The candidates exhibit strong growth characteristics based on P/E and P/B ratios, however, Eagle, MFS and Neuberger Berman are slightly more core.

SECTOR DISTRIBUTION

Firm	Energy (%)	Materials (%)	Industrials (%)	Cons Disc (%)	Cons Staples (%)	Health Care (%)	Financials (%)	Real Estate (%)	Info Tech (%)	Comm Services (%)	Utilities (%)
BlackRock	0.0	0.0	13.8	14.0	1.4	21.8	9.0	0.5	33.6	5.8	0.0
Eagle	1.0	3.8	13.7	14.0	2.3	19.2	5.8	1.6	32.5	4.5	0.0
Invesco	0.0	3.6	17.3	16.0	1.2	18.2	6.9	1.1	31.2	2.6	0.0
Kayne	0.0	0.0	14.2	16.0	8.8	12.0	8.4	0.0	39.9	0.9	0.0
MFS	0.0	3.4	19.1	15.7	0.4	19.9	6.5	2.2	24.8	7.5	0.0
Morgan Stanley	0.0	0.3	2.6	19.0	0.0	17.2	0.0	1.4	32.5	21.5	0.0
Neuberger Berman	0.0	0.8	15.9	15.0	2.8	17.2	4.6	0.0	36.0	4.8	0.0
Voya (incumbent)	0.8	1.0	12.9	17.6	2.5	18.0	4.9	1.9	34.7	5.8	0.0
Russell MidCap Growth	1.5	2.0	14.3	15.9	2.1	17.4	4.5	1.8	34.0	6.0	0.1

Key observations:

- Eagle, BlackRock and Neuberger Berman tend to maintain highly benchmark aware positioning, while Morgan Stanley and MFS, to a lesser extent, show some notable sector bets.

Data as of 3/31/2021 except for Kayne which is as of 6/30/2021.

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VEHICLES & FEES

Manager	Vehicle	Fund Name	Expense Ratio (Revenue Sharing)	Estimated Expense (Based of 6/30/21 Assets of \$131.1 M)	Estimated \$ Difference vs Incumbent
BlackRock	CIT	Fundamental US Mid Cap Growth	0.51%	668,610	196,650
Eagle	Mutual Fund	Carillon Eagle Mid Cap Growth R6	0.64%	839,040	367,080
Invesco	CIT	Invesco Oppenheimer Mid Cap Growth	0.46% ¹	599,127	127,167
Kayne	CIT	Mid Cap Sustainable Growth	0.60%	786,600	314,640
MFS	CIT	MFS Mid Cap Growth	0.50% ²	655,500	183,540
Morgan Stanley	Mutual Fund	Morgan Stanley Inst Discovery Portfolio IS	0.64%	839,040	367,080
Neuberger Berman	Mutual Fund	Neuberger Berman Mid Cap Growth Fund R6	0.60%	786,600	314,640
Voya (incumbent)	Mutual Fund	Voya MidCap Opportunities Portfolio I	0.66% (0.30%)	471,960	-

Key observations:

- Invesco, MFS and BlackRock represent the most attractive fees to the Plan
- Current share class provides substantial revenue sharing which cause expenses net of revenue sharing to be higher for alternatives.

¹ Tiered fee schedule: 0.50% on first \$50M, 0.45% on next \$50M and 0.40% thereafter. Fee shown reflects 6/30/21 assets of \$131.1M.

² Includes other expenses capped at 0.05%

⁴ Tiered fee schedule: 0.47% on first \$100M, 0.45% thereafter. Fee shown reflects 6/30/21 assets of \$131.1M.

PERFORMANCE DETAILS

PERFORMANCE CHARACTERISTICS

Performance characteristics vs. Russell Midcap Growth in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (Percentile Ranking) (quarterly calculations)

Performance Statistics (7-years)									
	Return (%pa)	Std Deviation (%pa)	Tracking Error (%pa)	Information Ratio	Sharpe Ratio	Alpha (%pa)	Up Markets Capture (%)	Down Markets Capture (%)	Beta
BlackRock	19.62	20.05	6.22	0.68	0.94	4.20	129.24	92.86	0.98
Eagle	16.20	20.67	3.76	0.22	0.74	0.19	112.81	106.76	1.05
Invesco	17.25	19.52	4.04	0.46	0.84	1.94	104.26	87.72	0.98
Kayne	22.09	21.47	8.49	0.79	0.99	6.03	153.12	92.61	1.02
MFS	17.09	17.32	4.29	0.40	0.94	3.26	100.96	85.16	0.87
Morgan Stanley	24.82	33.09	19.41	0.49	0.72	3.39	197.29	102.21	1.45
Neuberger Berman	15.55	19.52	3.68	0.04	0.75	0.36	96.69	94.57	0.99
Voya (incumbent)	15.07	17.97	3.41	-0.09	0.79	0.89	92.22	93.44	0.91
Russell Midcap Value	15.39	19.40	N/A	N/A	0.75	N/A	N/A	N/A	N/A

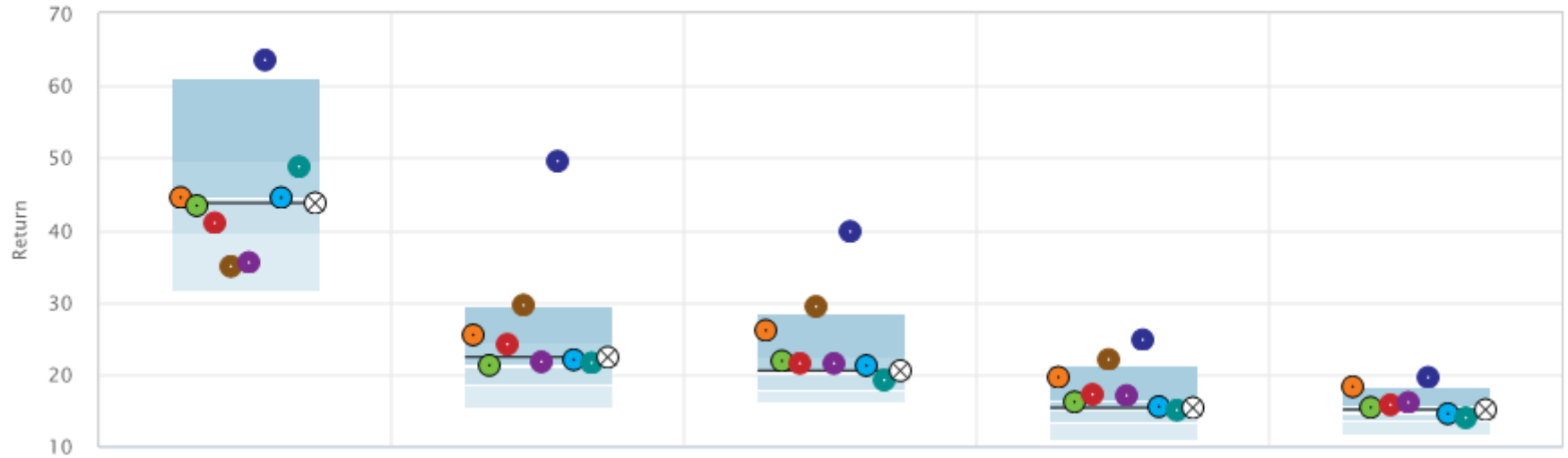


Key observations:

- BlackRock, Kayne, Morgan Stanley, Invesco and MFS exhibit the strongest risk-adjusted returns over the 7-year period.
- Despite Morgan Stanley's very strong performance, it has been much more volatile than peers.

ANNUALIZED PERFORMANCE

Return in \$US (after fees) over 1 yr, 3 yrs, 5 yrs, 7 yrs, 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (Percentile Ranking)

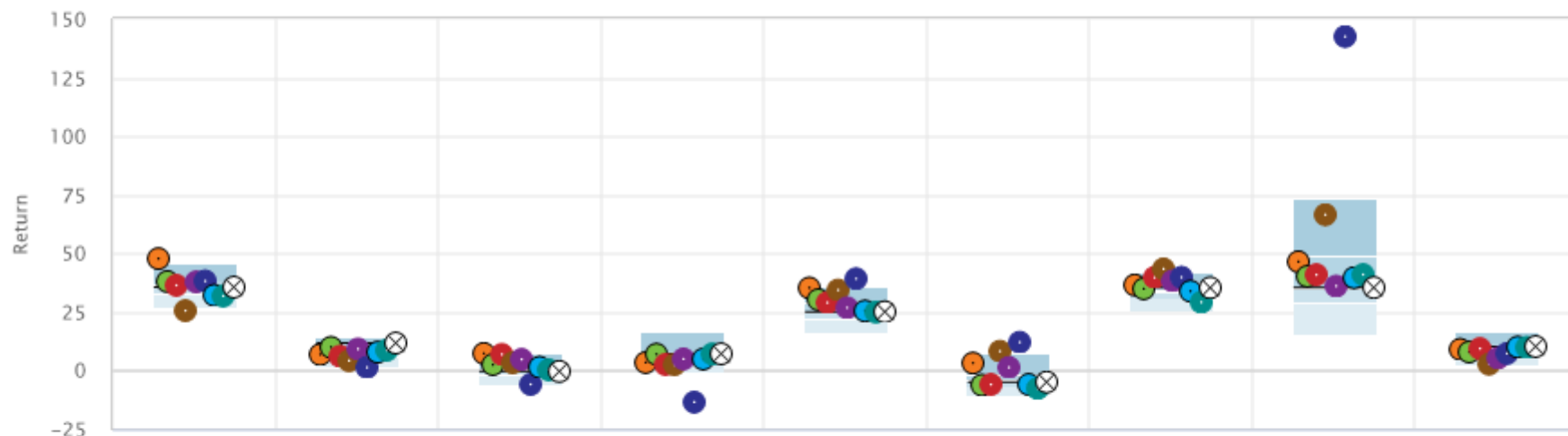


	1 yr (%)	3 yrs (%pa)	5 yrs (%pa)	7 yrs (%pa)	10 yrs (%pa)
Blackrock	44.6 (48)	25.5 (18)	26.1 (8)	19.6 (6)	18.3 (4)
Eagle	43.4 (55)	21.3 (47)	21.9 (28)	16.2 (26)	15.4 (24)
Invesco	41.0 (68)	24.2 (25)	21.6 (30)	17.2 (14)	15.8 (16)
Kayne	35.0 (88)	29.6 (5)	29.4 (2)	22.1 (3)	-
MFS	35.5 (88)	21.8 (40)	21.5 (30)	17.1 (14)	16.1 (14)
MSIM	63.6 (3)	49.6 (0)	39.8 (0)	24.8 (0)	19.6 (2)
NB	44.5 (48)	22.0 (38)	21.2 (33)	15.5 (40)	14.6 (53)
Voya (incum)	48.8 (27)	21.6 (41)	19.2 (60)	15.1 (49)	14.0 (65)
RUMCG	43.8 (53)	22.4 (35)	20.5 (43)	15.4 (42)	15.1 (35)
5th Percentile	60.8	29.4	28.4	21.0	18.0
Upper Quartile	49.5	24.3	22.3	16.2	15.4
Median	44.3	21.1	20.1	14.9	14.6
Lower Quartile	39.5	18.5	17.7	13.2	13.4
95th Percentile	31.6	15.4	16.0	10.9	11.5
Number	116	107	99	96	89

- BlackRock, Invesco, Kayne, and Morgan Stanley (MSIM) have performed in the top third of the peer universe across all periods longer than 1-year.

CALENDAR YEAR PERFORMANCE

Return in \$US (after fees) over last 9 calendar years ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (Percentile Ranking)

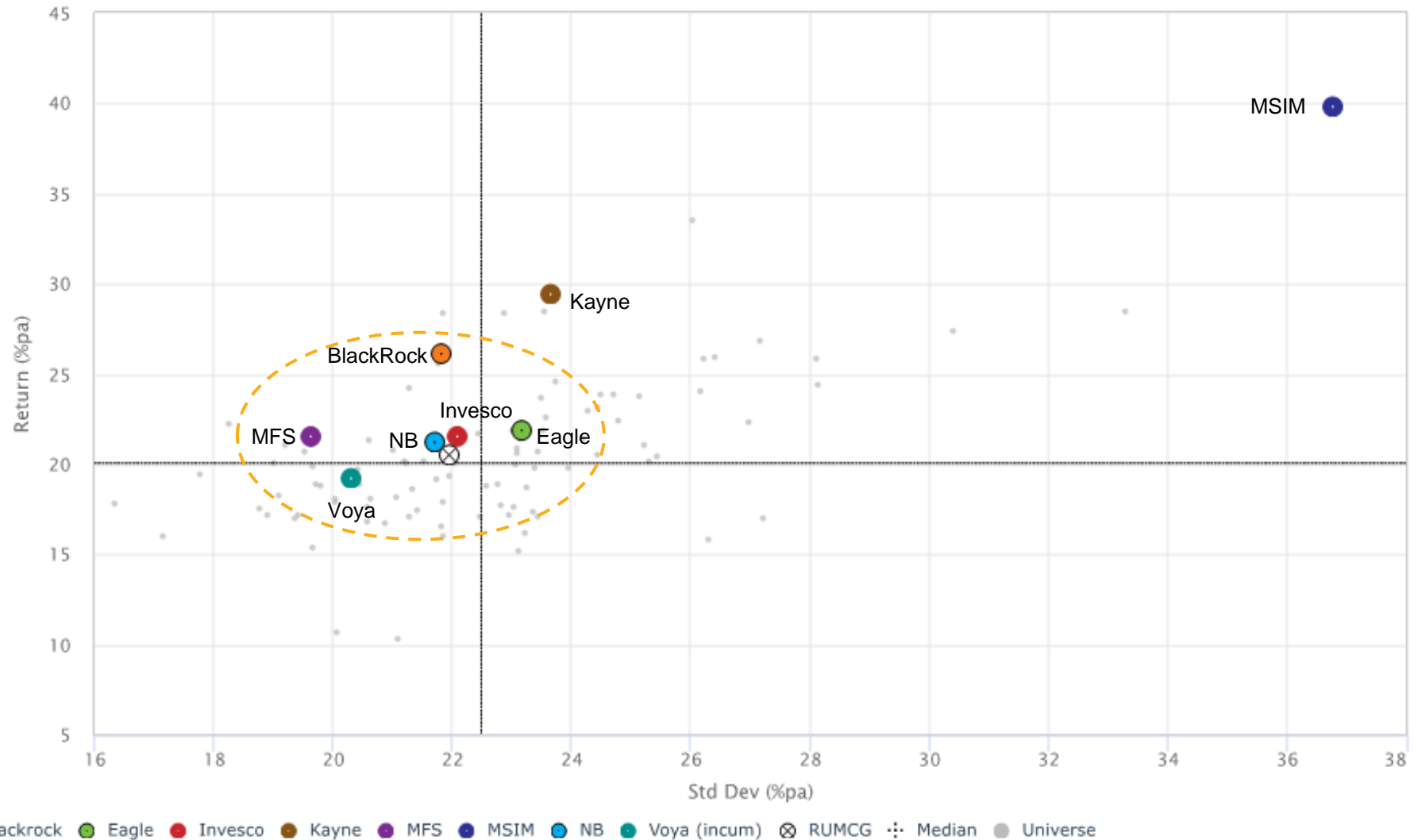


	2013 (%)	2014 (%)	2015 (%)	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	6 mths to 6/2021 (%)
Blackrock	47.9 (4)	7.0 (61)	7.5 (2)	3.6 (67)	35.4 (4)	3.4 (10)	36.7 (26)	46.6 (27)	9.2 (50)
Eagle	38.1 (26)	10.1 (27)	2.7 (21)	7.2 (34)	30.4 (15)	-6.0 (67)	35.0 (39)	40.3 (40)	8.1 (72)
Invesco	36.5 (48)	6.3 (69)	7.1 (2)	2.7 (76)	29.1 (21)	-5.8 (66)	39.9 (10)	41.1 (38)	9.5 (46)
Kayne	25.7 (98)	4.4 (84)	3.5 (16)	2.7 (76)	34.5 (7)	8.4 (3)	43.5 (1)	66.6 (6)	2.9 (93)
MFS	38.0 (27)	9.4 (34)	4.9 (12)	5.1 (53)	27.0 (33)	1.5 (12)	38.4 (16)	36.2 (44)	5.5 (85)
MSIM	38.4 (24)	1.5 (94)	-5.7 (91)	-13.3 (100)	39.4 (0)	12.2 (0)	40.0 (10)	142.7 (0)	7.5 (76)
NB	32.3 (75)	8.0 (45)	1.6 (33)	5.1 (54)	25.6 (43)	-5.7 (65)	34.0 (48)	39.8 (41)	10.2 (37)
Voya (incum)	32.0 (76)	8.8 (36)	0.5 (48)	7.3 (33)	25.1 (47)	-7.5 (81)	29.3 (83)	41.1 (38)	10.1 (38)
RUMCG	35.7 (60)	11.9 (14)	-0.2 (55)	7.3 (31)	25.3 (46)	-4.8 (55)	35.5 (34)	35.6 (46)	10.4 (35)
5th Percentile	45.2	13.6	6.6	15.8	35.0	6.8	41.3	72.9	16.4
Upper Quartile	38.3	10.7	2.2	8.3	28.7	-1.8	37.0	48.9	11.5
Median	36.3	7.8	0.2	5.7	24.9	-4.4	33.7	34.8	9.3
Lower Quartile	32.4	5.7	-2.2	2.9	21.8	-6.9	30.8	28.5	7.9
95th Percentile	27.1	1.3	-5.9	-1.0	15.7	-11.0	25.6	15.2	2.2
Number	94	96	97	99	101	106	109	113	122

- On an annual basis, the Mid Cap Growth space has had very strong performance.
- During the 2018 drawdown MSIM, Kayne, BlackRock, and MFS had positive performance
- MSIM's annual performance has been very volatile, performing generally either at the very top or very bottom of the universe

RISK / RETURN – 5-YEAR PERIOD (6/30/21)

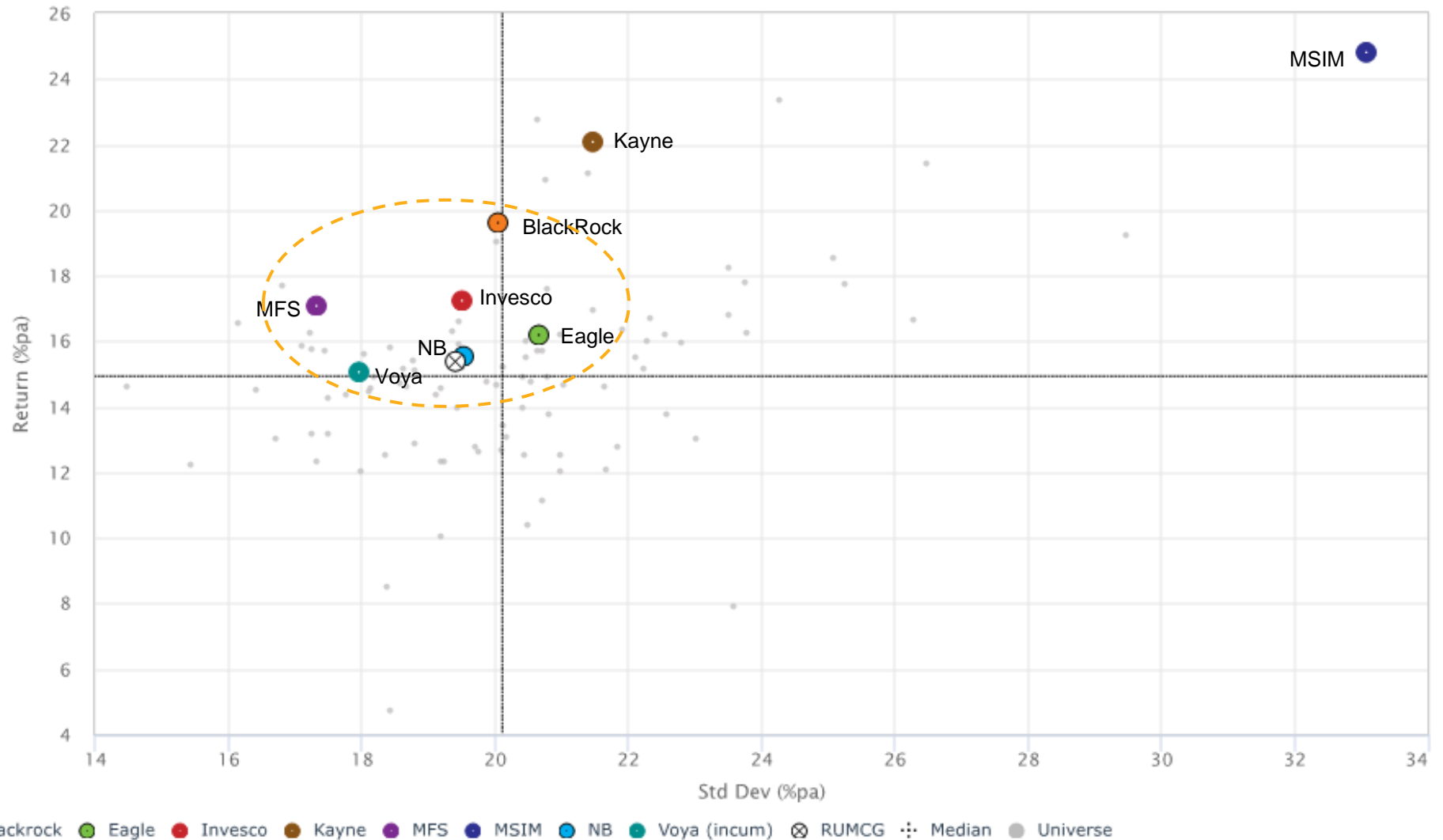
Return and Std Deviation in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)



- The majority of candidates have a similar risk/return profile.
- MSIM exhibits very strong performance, but with more volatility than peers.

RISK / RETURN – 7-YEAR PERIOD (6/30/21)

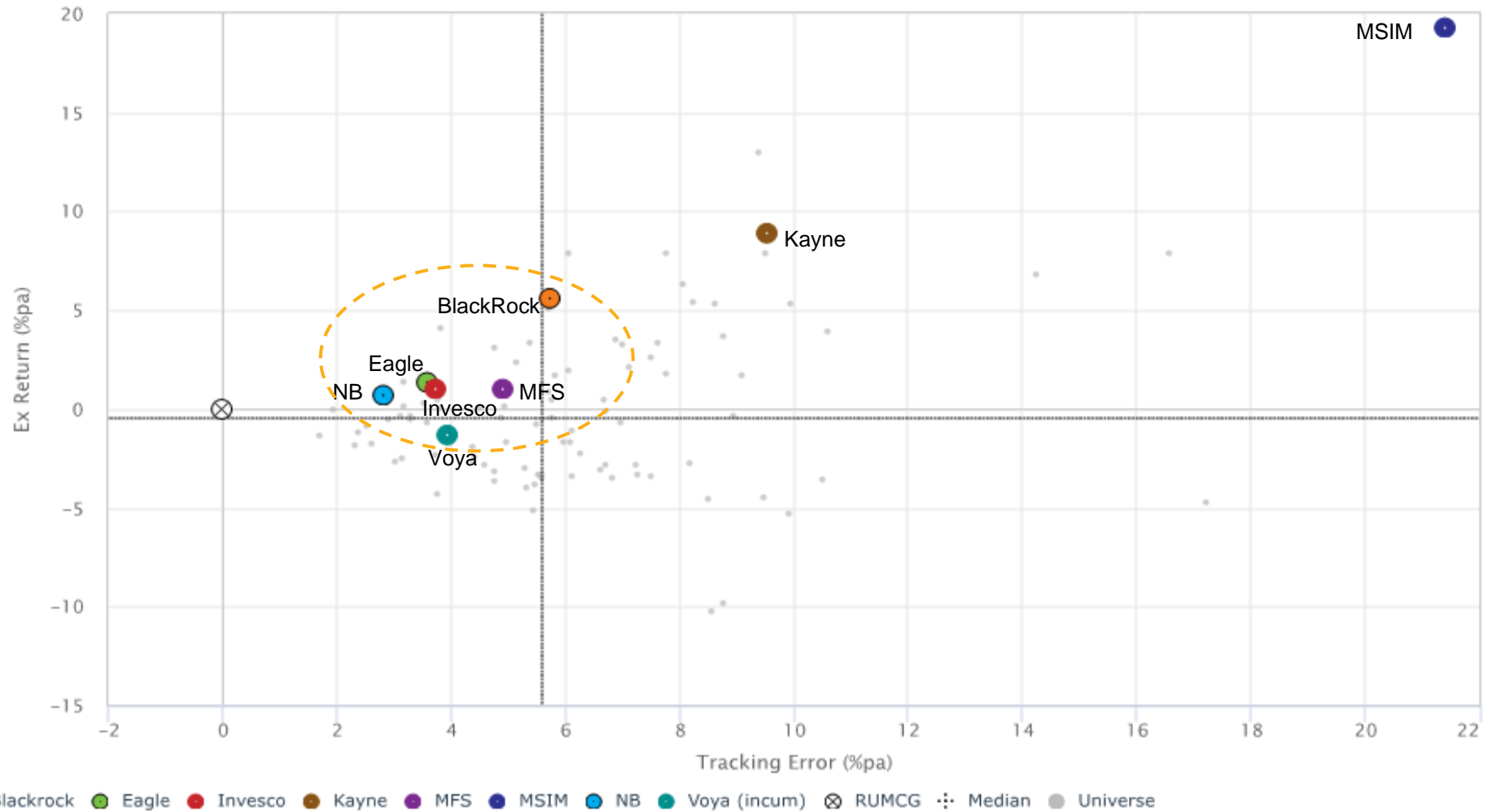
Return and Std Deviation in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)



- Many of the candidates show a similar return profile over the long-term (7-yr period).

TRACKING ERROR / EXCESS RETURN (5-YR)

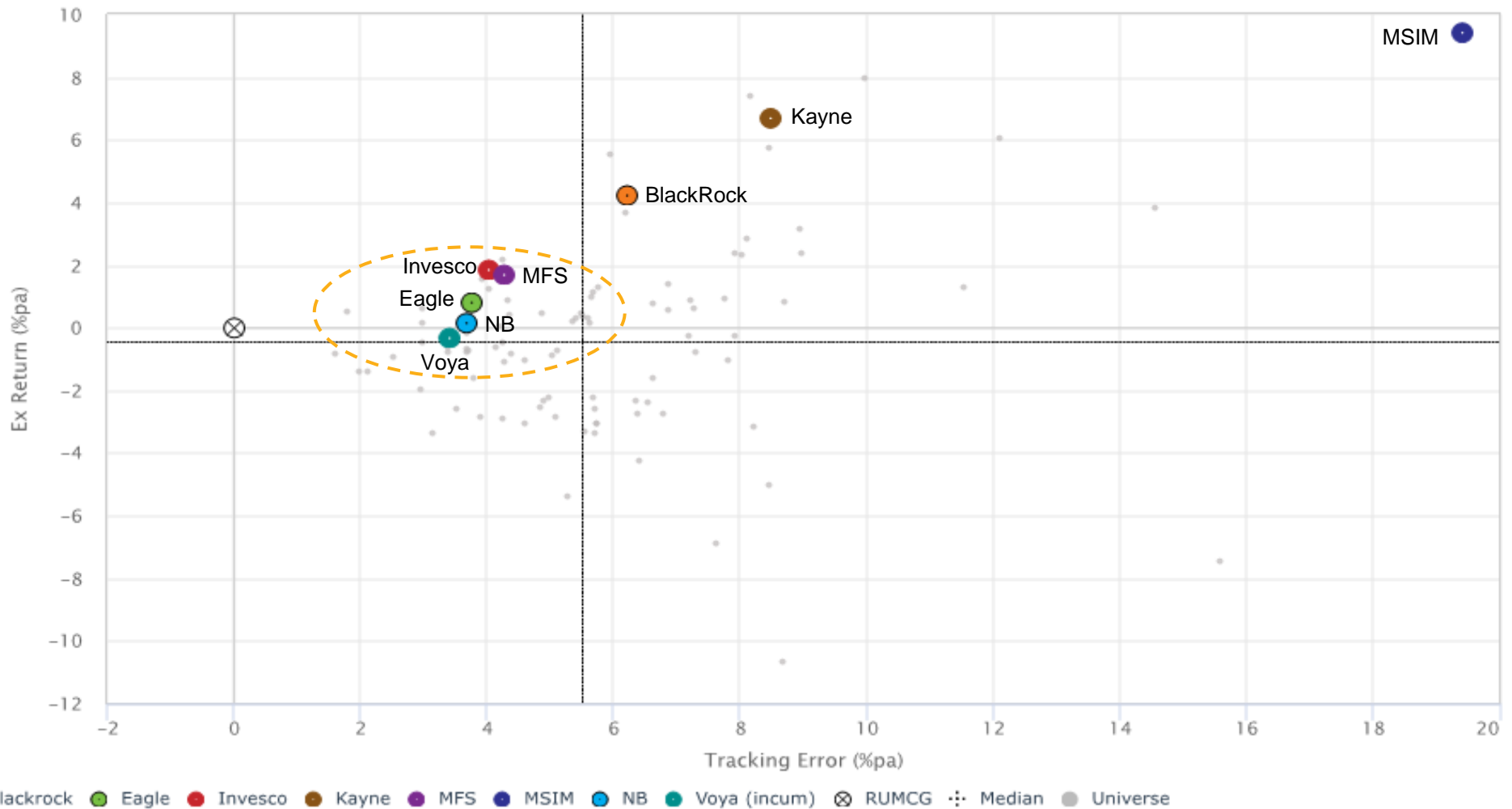
Excess Return and Tracking Error vs. Russell Midcap Growth in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)



- All managers have generated a positive excess return than the universe median.
- BlackRock, Kayne and MSIM exhibit higher tracking error than the median.

TRACKING ERROR / EXCESS RETURN (7-YR)

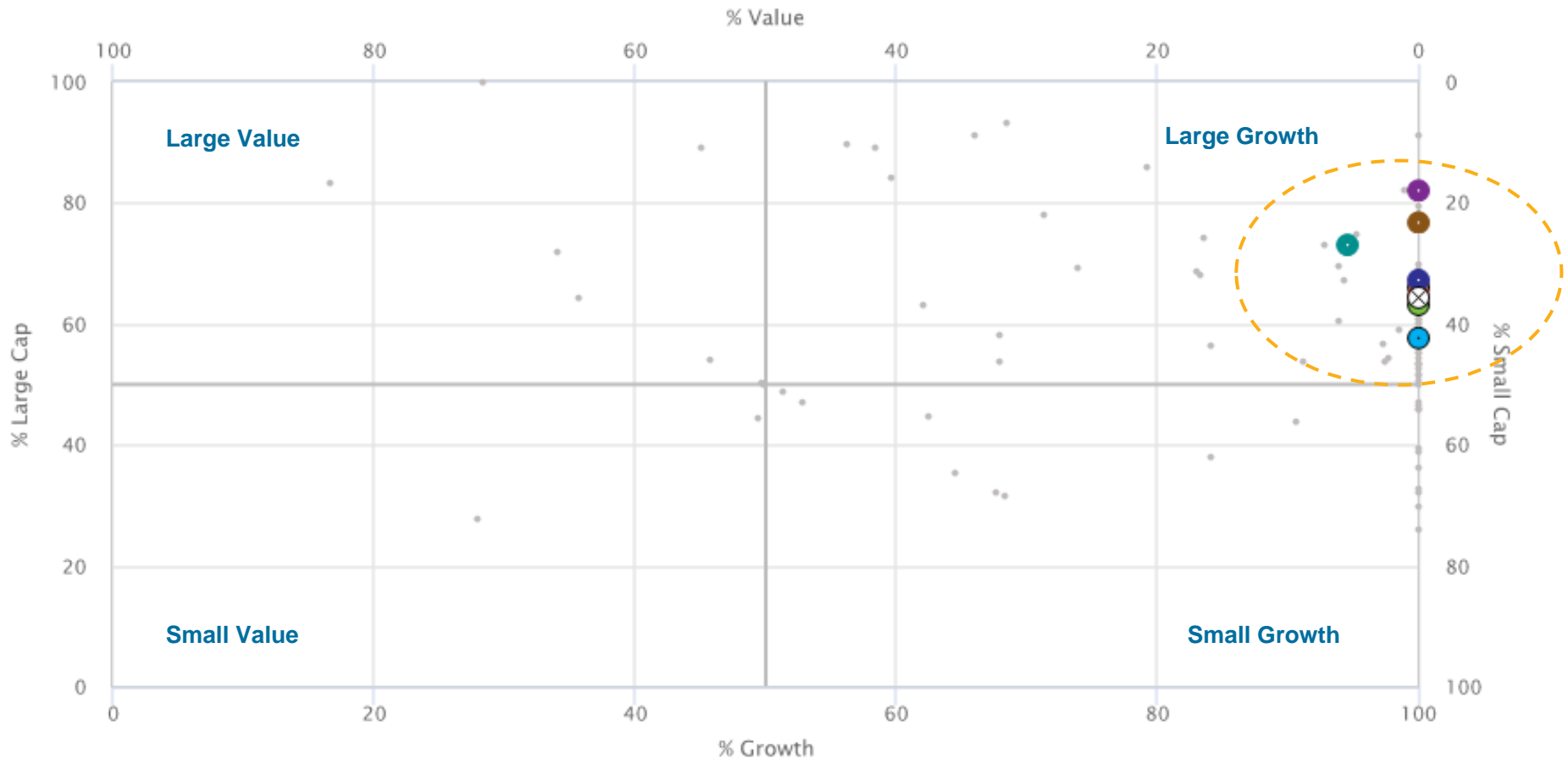
Excess Return and Tracking Error vs. Russell Midcap Growth in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)



- Over the long-term (7-yr period), all candidates have higher annualized excess returns than the universe median; however, BlackRock, Kayne and MSIM exhibit higher tracking error than the median.

RETURNS-BASED STYLE ANALYSIS (5-YR)

Returns based style analysis in \$US (after fees) over 5 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)



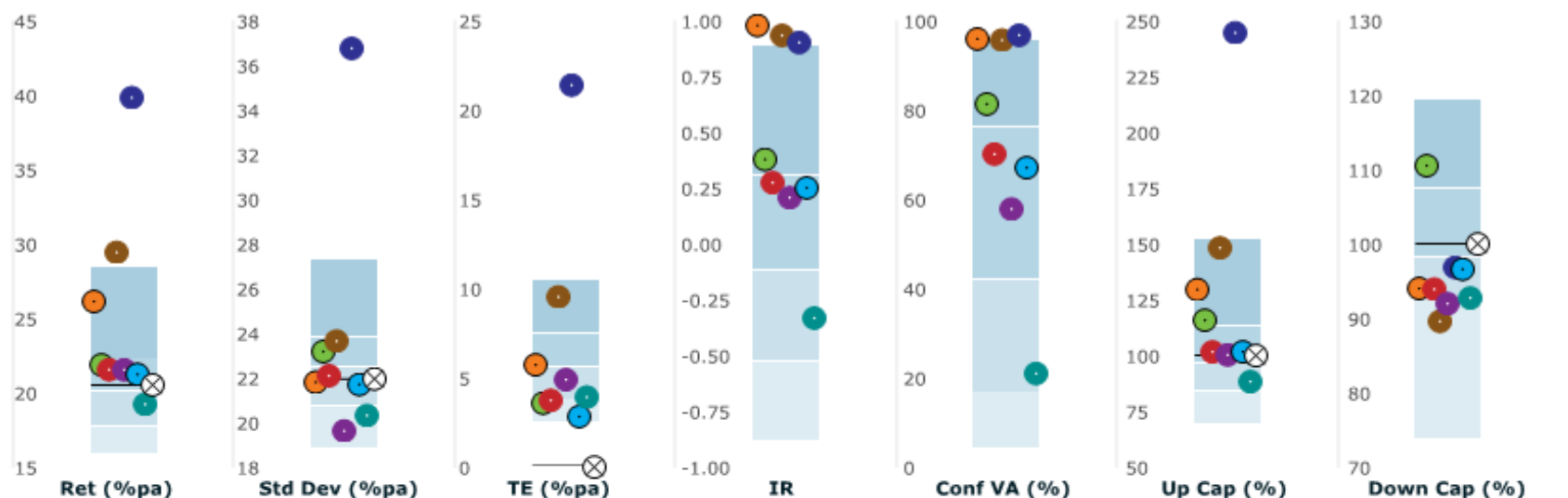
● Blackrock
 ● Eagle
 ● Invesco
 ● Kayne
 ● MFS
 ● MSIM
 ● NB
 ● Voya (incum)
 ⊗ RUMCG
 ● Universe

Style indices Large Value: Russell 1000 Value
 Large Growth: Russell 1000 Growth
 Small Value: Russell 2000 Value
 Small Growth: Russell 2000 Growth

- All candidates exhibit a deep growth bias.
- MFS has the highest market cap and Neuberger Berman has the smallest market cap; however, both are still in line with peers.

RISK STATISTICS – 5 YEAR (6/30/2021)

Performance characteristics vs. Russell Midcap Growth in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (Percentile Ranking) (quarterly calculations)



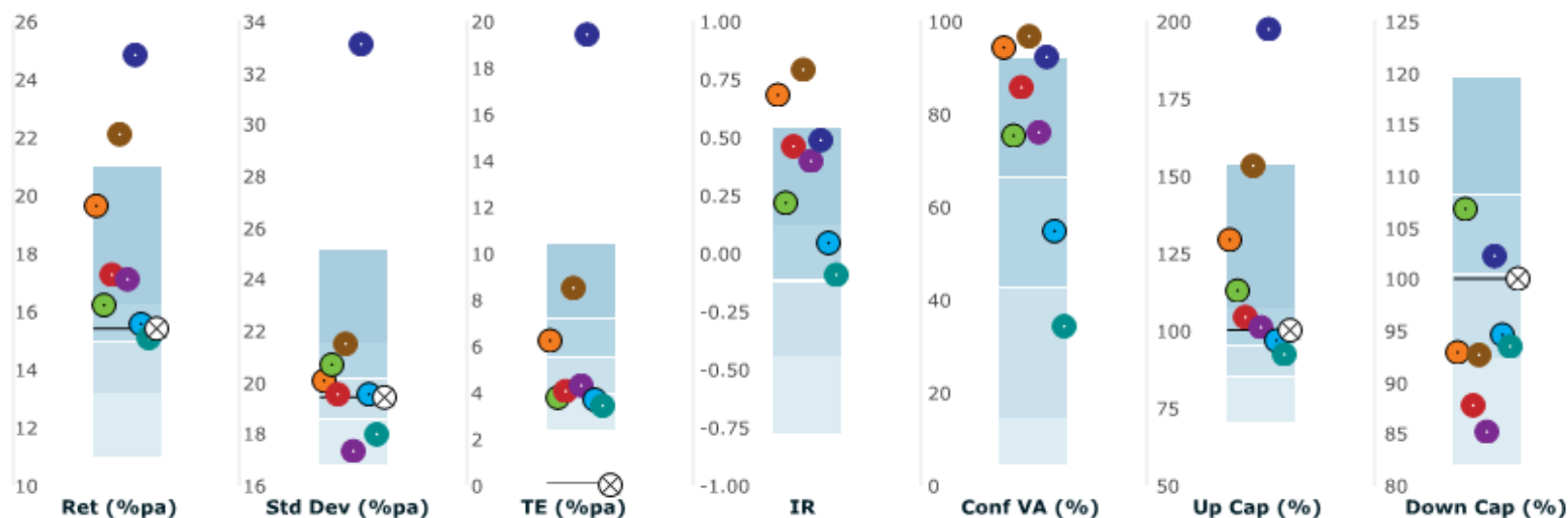
	Ret (%pa)	Std Dev (%pa)	TE (%pa)	IR	Conf VA (%)	Up Cap (%)	Down Cap (%)
Blackrock	26.1(8)	21.8(61)	5.7(47)	1.0(3)	95.9(4)	129.6(14)	94.0(69)
Eagle	21.9(28)	23.2(36)	3.6(80)	0.4(21)	81.3(21)	115.9(21)	110.5(17)
Invesco	21.6(30)	22.1(52)	3.7(78)	0.3(27)	70.1(30)	101.6(39)	93.9(69)
Kayne	29.4(2)	23.6(26)	9.5(8)	0.9(4)	95.7(5)	148.3(6)	89.6(80)
MFS	21.5(30)	19.6(88)	4.9(62)	0.2(30)	57.8(40)	100.3(42)	92.0(76)
MSIM	39.8(0)	36.8(0)	21.4(0)	0.9(4)	96.8(3)	244.6(0)	96.8(56)
NB	21.2(33)	21.7(63)	2.8(93)	0.3(28)	67.1(31)	101.7(39)	96.6(56)
Voya (incum)	19.2(60)	20.3(81)	3.9(74)	-0.3(61)	21.0(65)	88.3(66)	92.7(74)
RUMCG	20.5(43)	22.0(55)	0.0(100)	-	-	100.0(42)	100.0(44)
5th Percentile	28.4	27.3	10.5	0.9	95.4	152.3	119.3
Upper Quartile	22.3	23.8	7.5	0.3	76.3	113.1	107.5
Median	20.1	22.5	5.6	-0.1	42.1	96.5	98.2
Lower Quartile	17.7	20.7	3.8	-0.5	16.9	84.3	92.4
95th Percentile	16.0	18.9	2.5	-0.9	4.2	69.9	73.9
Number	99	99	99	99	99	99	99

- All candidates, perform well in up markets and, with the exception of Eagle, also protect in down markets.
- MSIM has notably higher volatility and tracking error than the other candidates.

The risk free rate used for these calculations is the US 3 month T-Bill

RISK STATISTICS – 7 YEAR (6/30/2021)

Performance characteristics vs. Russell Midcap Growth in \$US (after fees) over 7 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (Percentile Ranking) (quarterly calculations)



	Ret (%pa)	Std Dev (%pa)	TE (%pa)	IR	Conf VA (%)	Up Cap (%)	Down Cap (%)
Blackrock	19.6(6)	20.0(51)	6.2(36)	0.7(3)	94.2(3)	129.2(11)	92.9(73)
Eagle	16.2(26)	20.7(37)	3.8(77)	0.2(19)	75.3(18)	112.8(21)	106.8(32)
Invesco	17.2(14)	19.5(57)	4.0(74)	0.5(8)	85.7(10)	104.3(28)	87.7(88)
Kayne	22.1(3)	21.5(25)	8.5(10)	0.8(2)	96.6(2)	153.1(5)	92.6(74)
MFS	17.1(14)	17.3(90)	4.3(67)	0.4(8)	76.0(17)	101.0(35)	85.2(90)
MSIM	24.8(0)	33.1(0)	19.4(0)	0.5(7)	92.2(4)	197.3(0)	102.2(45)
NB	15.5(40)	19.5(57)	3.7(82)	0.0(40)	54.7(38)	96.7(44)	94.6(64)
Voya (incum)	15.1(49)	18.0(84)	3.4(86)	-0.1(48)	34.2(58)	92.2(56)	93.4(70)
RUMCG	15.4(42)	19.4(61)	0.0(100)	-	-	100.0(41)	100.0(51)
5th Percentile	21.0	25.1	10.4	0.5	92.1	153.5	119.4
Upper Quartile	16.2	21.5	7.2	0.1	66.3	107.1	108.1
Median	14.9	20.1	5.5	-0.1	42.4	95.0	100.4
Lower Quartile	13.2	18.5	3.9	-0.4	14.4	85.1	92.3
95th Percentile	10.9	16.8	2.4	-0.8	4.2	70.4	81.9
Number	96	96	96	96	96	96	96

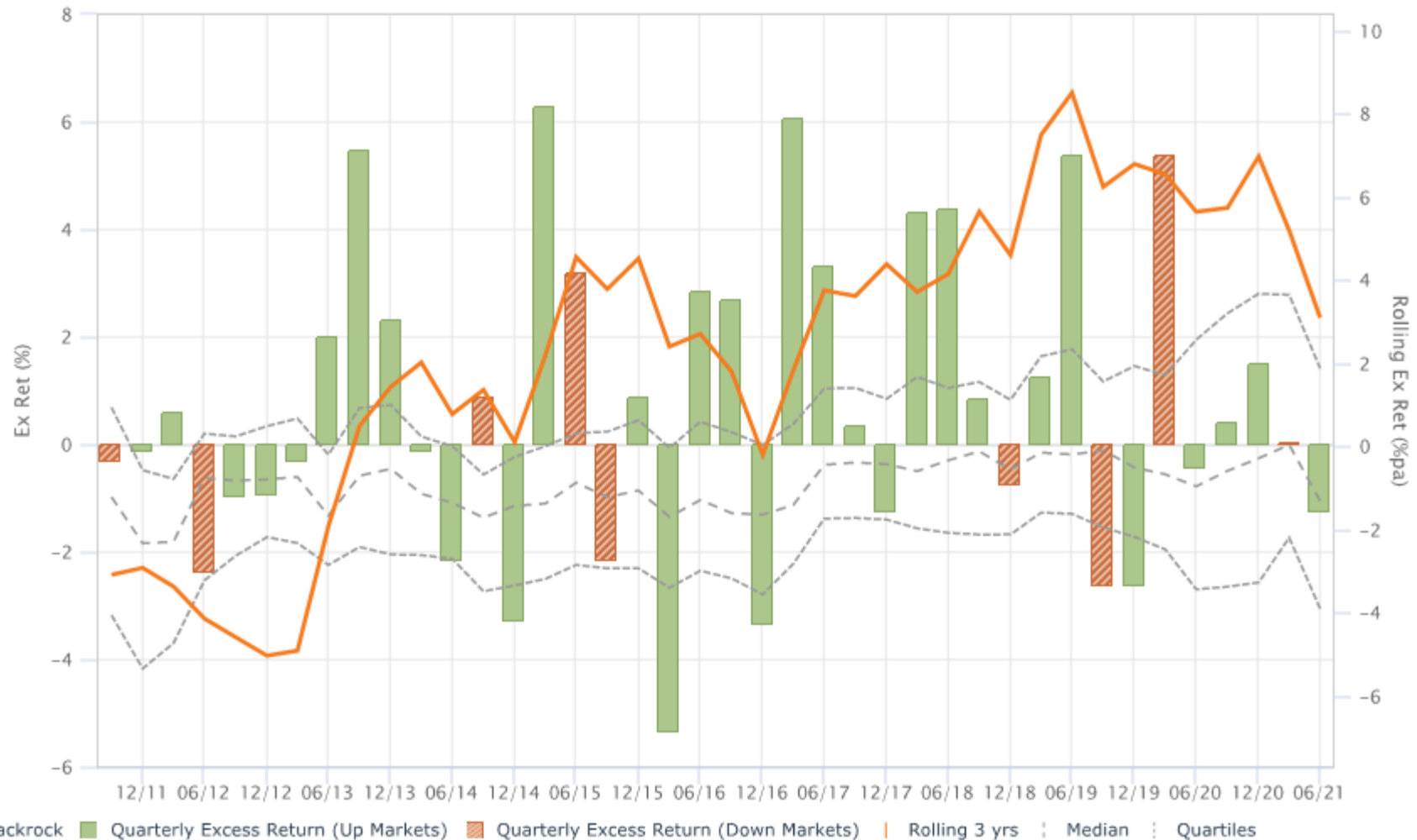
- All candidates, except for Neuberger Berman, perform well in up markets over the 7-year period, and with the exception of Eagle and MSIM, also protect in down markets.
- MSIM has notably higher volatility and tracking error than the other candidates.

The risk free rate used for these calculations is the US 3 month T-Bill

QUARTERLY EXCESS RETURN

Blackrock Mid Cap Growth Equity

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe



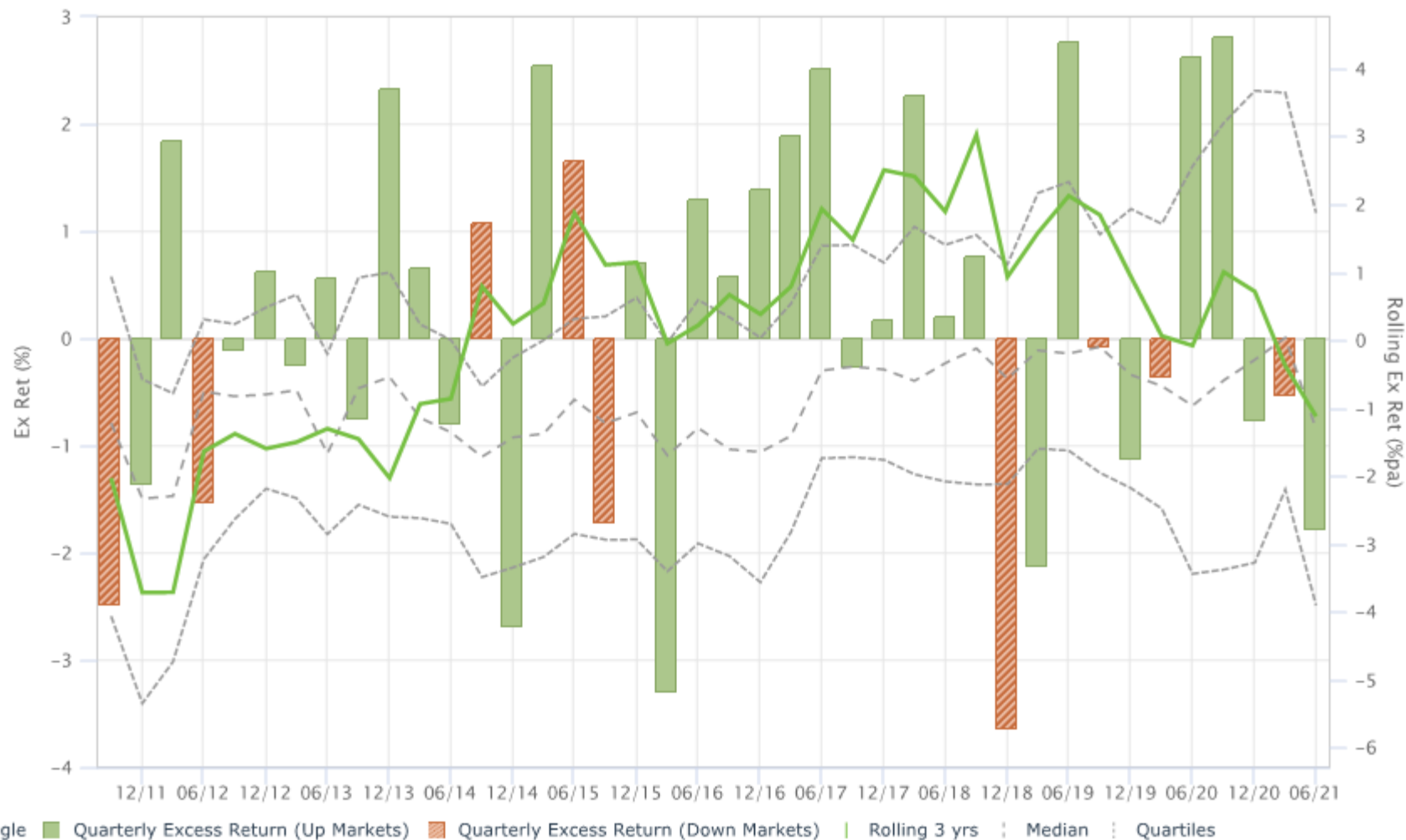
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QUARTERLY EXCESS RETURN

Carillon Eagle Mid Cap Growth R6

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe



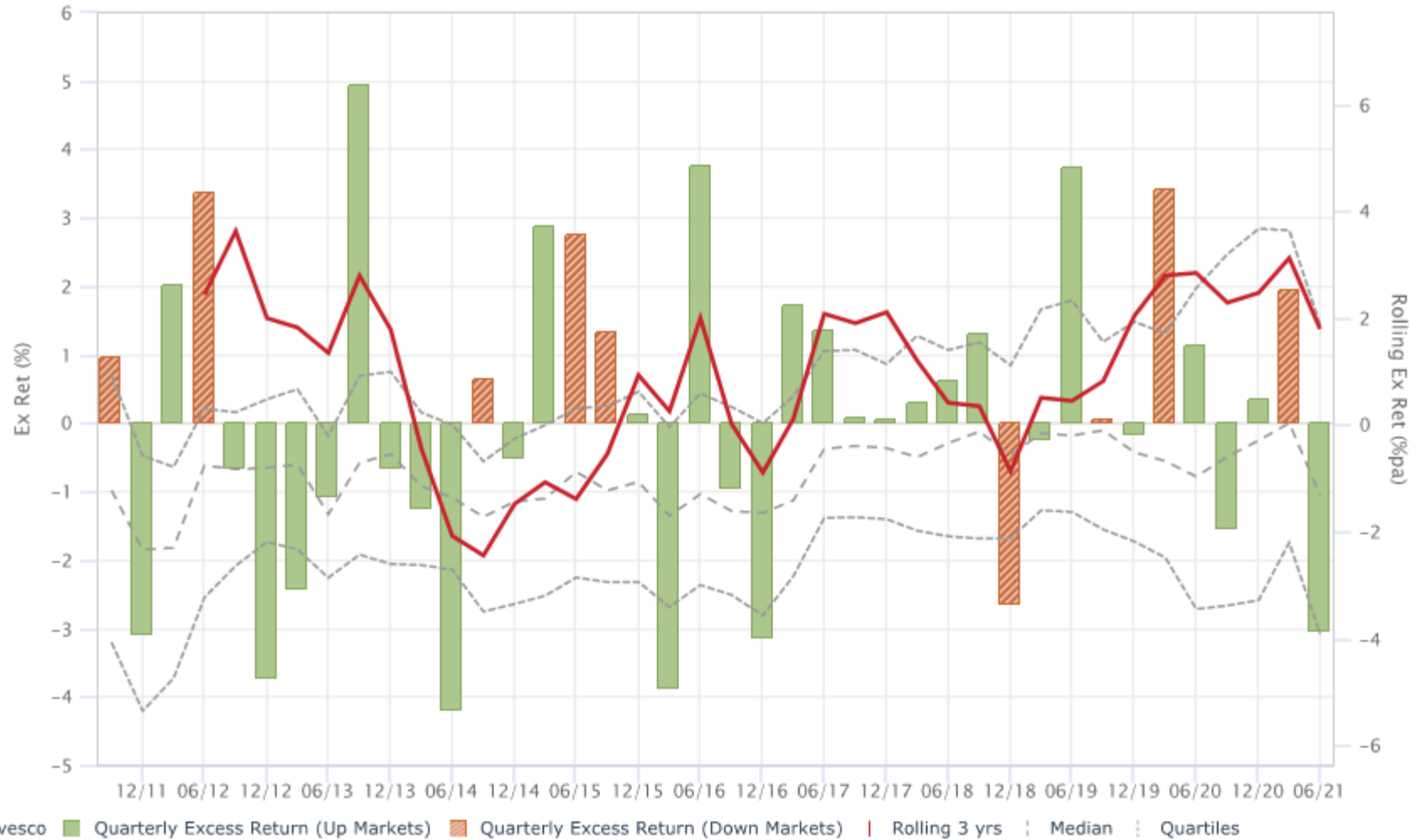
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QUARTERLY EXCESS RETURN

Invesco Mid Cap Growth

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe



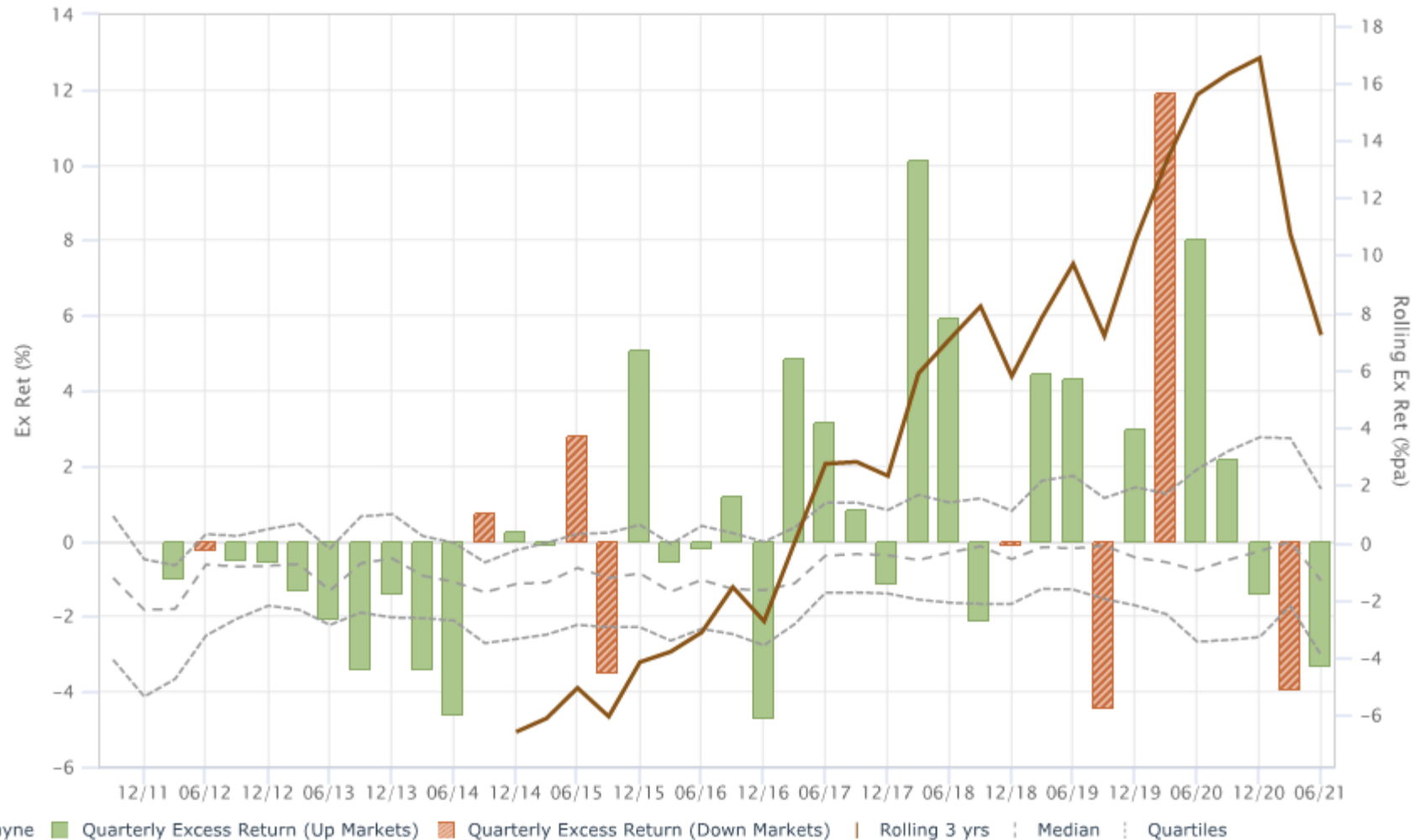
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QUARTERLY EXCESS RETURN

Kayne Mid Cap Sustainable Growth

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe



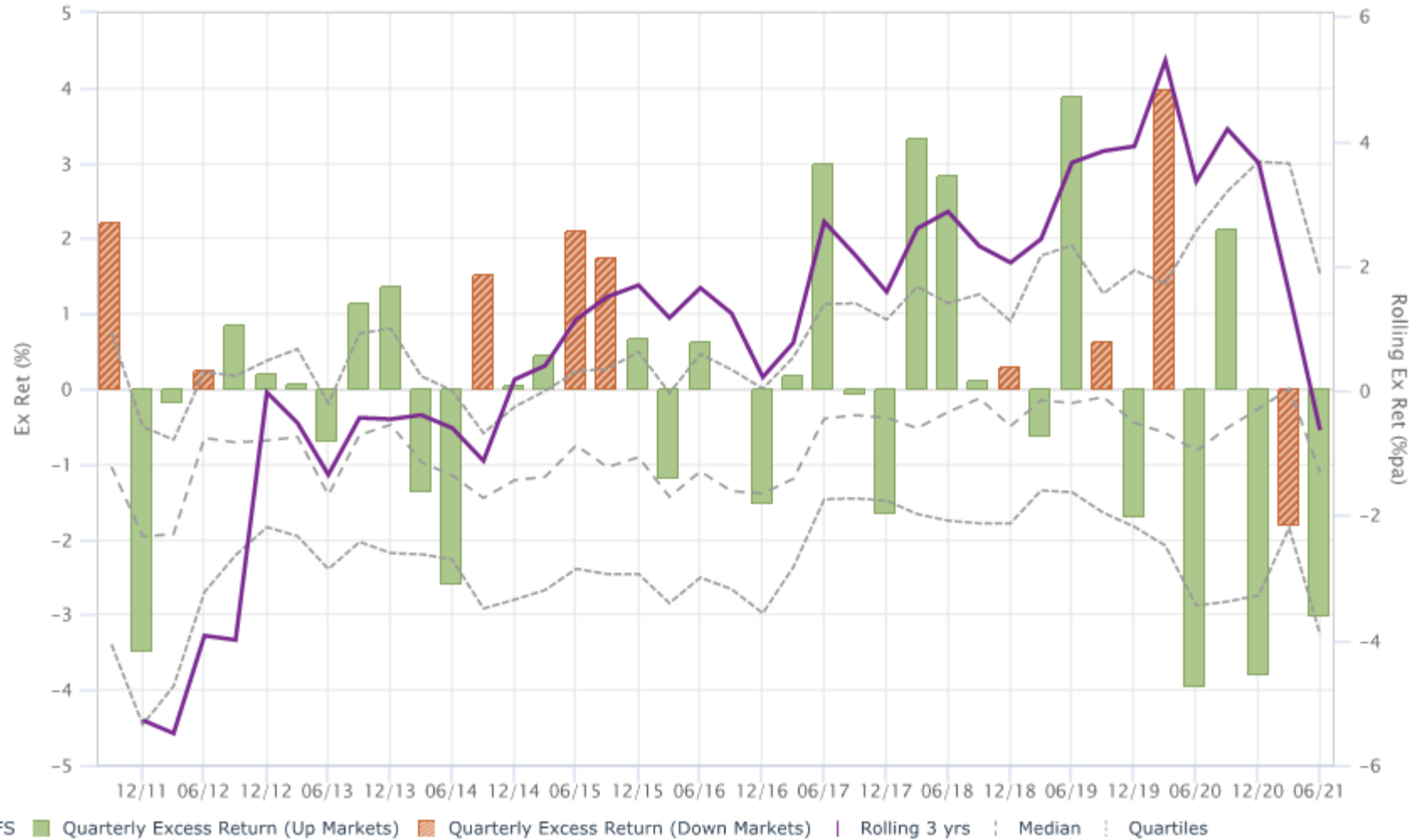
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QUARTERLY EXCESS RETURN

MFS Mid Cap Growth Equity

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe



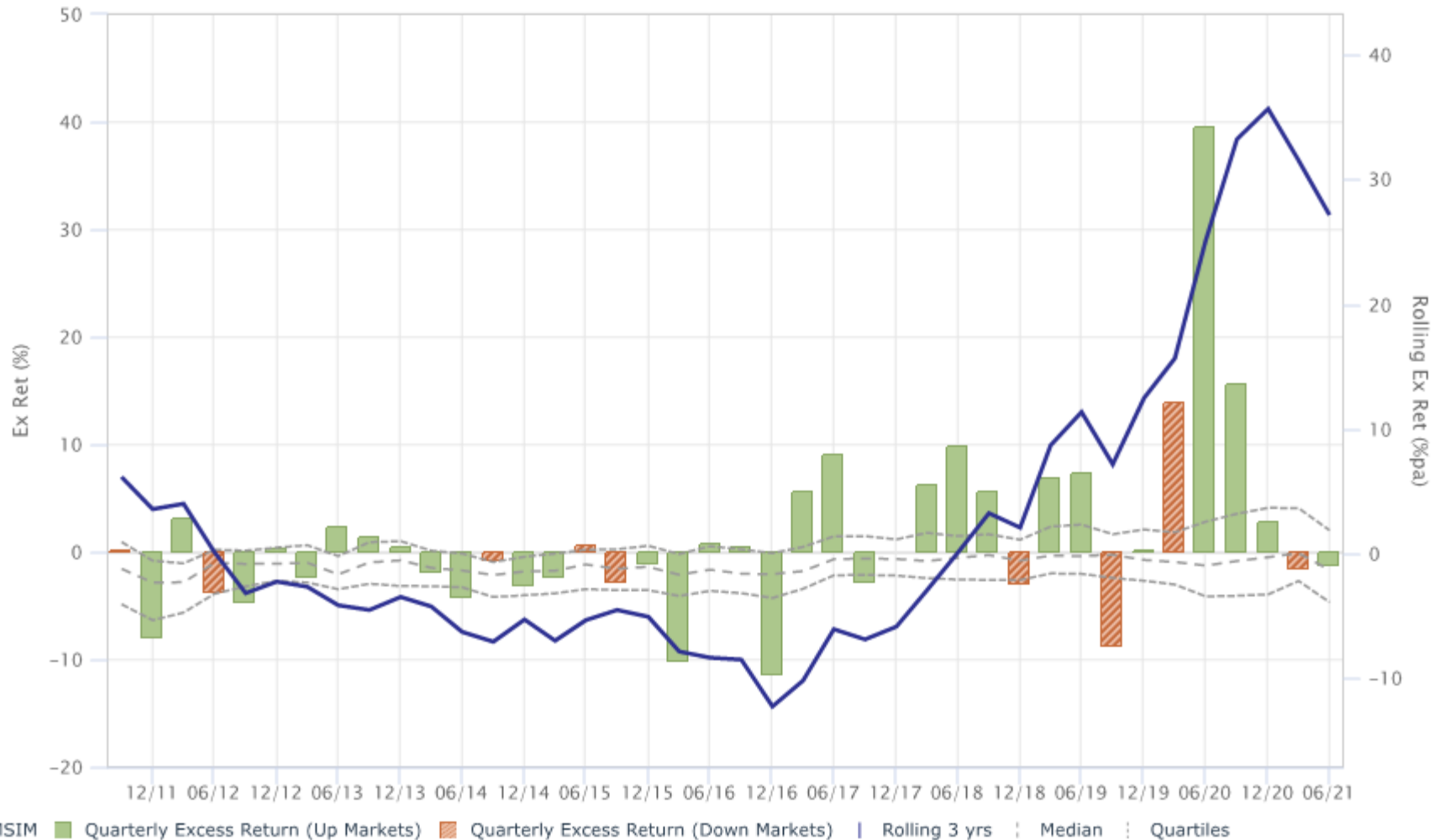
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QUARTERLY EXCESS RETURN

Morgan Stanley Inst Discovery IS

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe



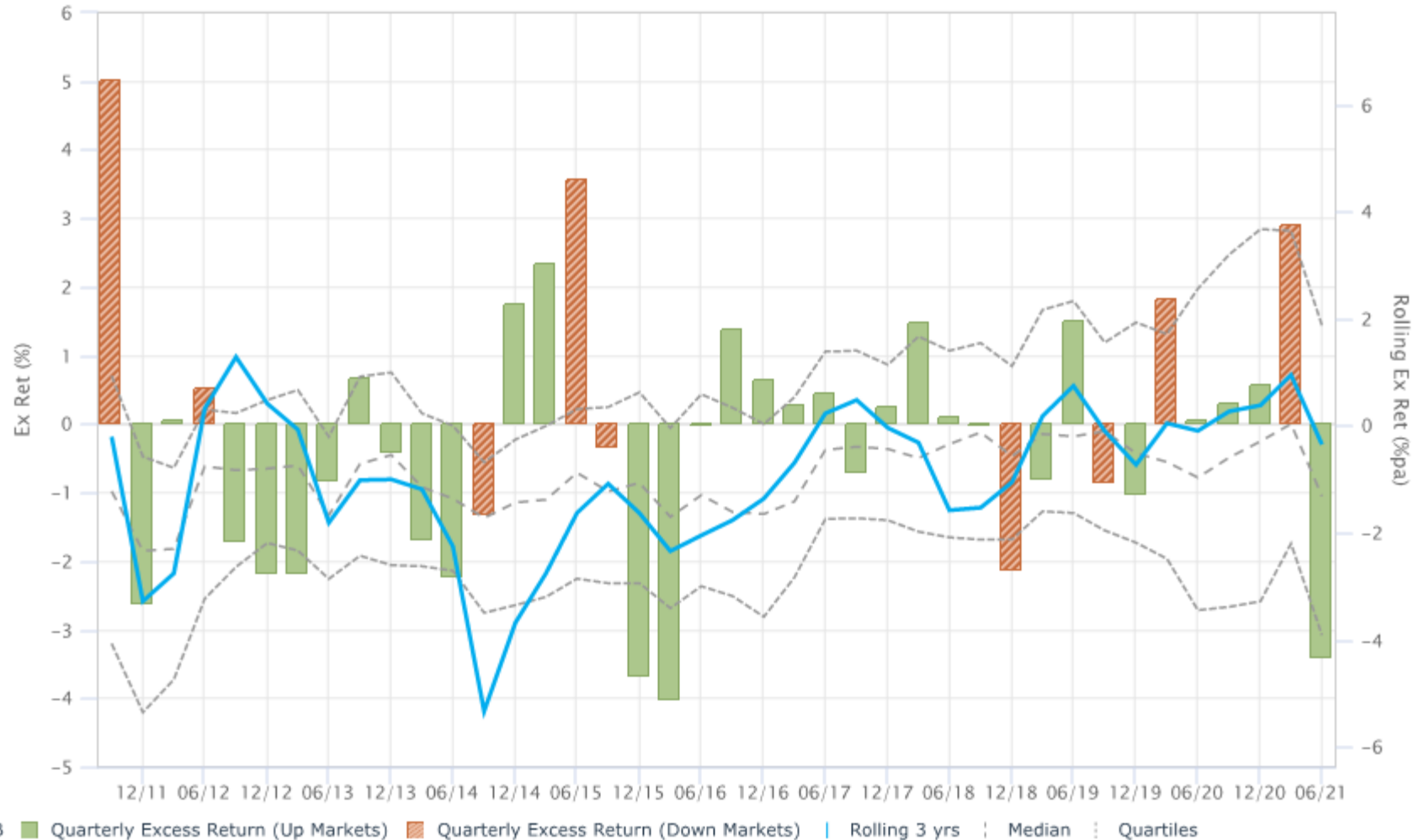
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QUARTERLY EXCESS RETURN

Neuberger Berman Mid Cap Growth R6

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe



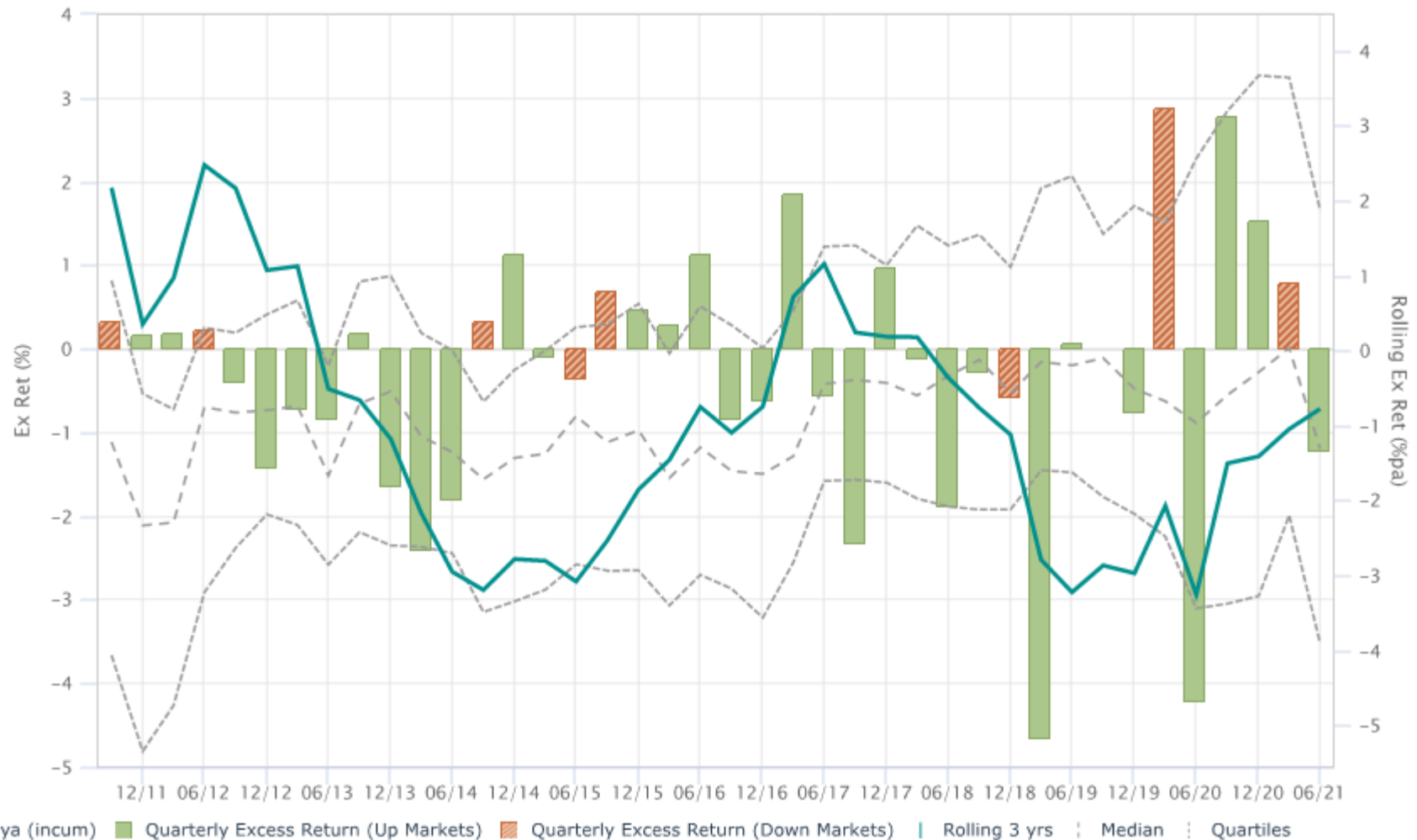
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QUARTERLY EXCESS RETURN

Voya MidCap Opportunities Port I (incumbent)

Quarterly Excess Return vs. Russell Midcap Growth with rolling 3 yr line in \$US (after fees) over 10 yrs ending June-21
 Comparison with the Mutual Fund US Equity Mid Cap Growth universe



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ROLLING 3-YEAR PERFORMANCE RANKINGS

Rolling 3 yr performance characteristics vs. Russell Midcap Growth in \$US (after fees) over 5 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)

Name	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile		Average Percentile Rank	Outperform	
	No.	%	No.	%	No.	%	No.	%		No.	%
Mutual Fund US Equity Mid Cap Value Universe - Russell Midcap Growth Index											
Blackrock Mid Cap Growth Equity	19	95.0	1	5.0	0	0.0	0	0.0	10	19	95
Carillon Eagle Mid Cap Growth R6	10	50.0	9	45.0	1	5.0	0	0.0	28	17	85
Invesco Mid Cap Growth	6	30.0	13	65.0	1	5.0	0	0.0	30	18	90
Kayne Mid Cap Sustainable Growth	17	85.0	2	10.0	1	5.0	0	0.0	11	18	90
MFS Mid Cap Growth Equity	17	85.0	3	15.0	0	0.0	0	0.0	19	19	95
Morgan Stanley Inst Discovery IS	12	60.0	1	5.0	0	0.0	7	35.0	37	13	65
Neuberger Berman Mid Cap Growth R6	0	0.0	15	75.0	5	25.0	0	0.0	46	8	40
Voya MidCap Opportunities Port I (incumbent)	1	5.0	7	35.0	8	40.0	4	20.0	56	5	25
Benchmark											
Russell Midcap Growth	0	0.0	19	95.0	1	5.0	0	0.0	41	20	0

- On a rolling 3-year basis, all managers consistently outperformed the median over the past 5 years and placed (on average) in the top third of the universe except MSIM and Neuberger Berman.

The benchmark result for Number Outperform represents the total number of observations in the period.

QUARTERLY UP / DOWN MARKET ANALYSIS

Performance characteristics vs. Russell MidCap Growth TR in \$US (after fees) over 10 yrs ending June-21
Comparison with the Mutual Fund US Equity Mid Cap Growth universe (quarterly calculations)

Name	Up Markets			Down Markets			All Markets				
	Outperform		Excess (Av) (%pq)	Outperform		Excess (Av) (%pq)	Outperform		Excess (Av) (%pq)	Outperform (Av) (%pq)	Underperform (Av) (%pq)
	No.	%		No.	%		No.	%			
Mutual Fund US Equity Mid Cap Value Universe - Russell Midcap Growth Index											
Products											
Blackrock Mid Cap Growth Equity	14	67	1.1	4	57	0.6	18	64	1.0	2.8	-2.3
Carillon Eagle Mid Cap Growth R6	14	67	0.5	2	29	-0.5	16	57	0.2	1.6	-1.5
Invesco Mid Cap Growth	13	62	0.2	6	86	1.1	19	68	0.4	1.5	-1.8
Kayne Mid Cap Sustainable Growth	13	62	1.9	3	43	0.5	16	57	1.5	4.3	-2.1
MFS Mid Cap Growth Equity	11	52	0.0	6	86	1.2	17	61	0.3	1.6	-1.8
Morgan Stanley Inst Discovery IS	13	62	3.7	2	29	-0.3	15	54	2.7	8.3	-3.8
Neuberger Berman Mid Cap Growth R6	13	62	-0.1	3	43	0.5	16	57	0.0	1.2	-1.5
Voya MidCap Opportunities Port I (incumbent)	9	43	-0.4	4	57	0.5	13	46	-0.1	1.1	-1.2
Benchmark											
Russell Midcap Growth	21	0	0.0	7	0	0.0	28	0	0.0	na	na
Group Statistics											
Upper Quartile	12	57	0.4	4	57	0.8	15	54	0.2	2.7	-1.6
Median	10	48	-0.2	3	43	0.0	14	50	-0.1	2.0	-2.1
Lower Quartile	8	38	-0.6	2	29	-0.6	11	39	-0.5	1.5	-2.7
Number	96	96	96	96	96	96	96	96	96	95	96

- Over the trailing 10-year period, all candidates have outperformed in the majority of up markets, while, BlackRock, Invesco and MFS have also outperformed in the majority of down markets.

The benchmark results represent the total number of up markets, down markets and observations in the period.

CORRELATION

Correlation of Returns in \$US (after fees) over 5 yrs ending June-21 (quarterly calculations)

	Blackrock	Eagle	Invesco	Kayne	MFS	MSIM	NB	Voya (incum)	RUMCG
Blackrock		0.97	0.98	0.96	0.98	0.89	0.97	0.96	0.97
Eagle			0.98	0.93	0.99	0.87	0.99	0.98	0.99
Invesco				0.94	0.98	0.88	0.99	0.98	0.99
Kayne					0.95	0.94	0.92	0.90	0.92
MFS						0.88	0.98	0.97	0.98
MSIM							0.86	0.84	0.85
NB								0.99	0.99
Voya (incumbent)									0.99
RUMCG									

- All managers exhibit a strong correlations against the Russell Midcap Growth Index, with the exception of MSIM and Kayne.

Notes:
Correlation is shown in the right hand side of the table.

APPENDIX

NOTES TO PERFORMANCE

- **Blackrock** : Composite performance net of 0.51% fee.
- **Eagle** : Carillon Eagle MF Mid Cap Growth R6 (HRAUX), expense ratio is 0.64%.
- **Invesco** : Composite performance net of 0.46% fee.
- **Kayne** : Composite performance net of 0.60% fee.
- **MFS** : Composite performance net of 0.50% fee.
- **MSIM** : Morgan Stanley MF Discovery Portfolio IS (MMCGX), expense ratio is 0.64%.
- **NB** : Neuberger Berman MF Mid Cap Growth Fund R6 (NRMGX), expense ratio is 0.60%.
- **Voya (incumbent)** : Voya MidCap Opportunities Portfolio Class I (IIMOX), expense ratio is 0.66%.

MINIMUM QUALIFICATIONS

- The minimum qualifications outlined in section 2.2 of the RFP for the Mid Cap Growth Equity mandate are included below:
 - Investment style consistent with an active mid-cap growth equity manager and categorized in Mercer GIMD or other commercially available database as mid-cap growth equity strategy
 - Stated benchmark of the strategy will be representative of the style Russell Mid-Cap Growth Index), and strategy will have high correlation with the benchmark (similar to median of peer group or higher).
 - Strategy track record of 5 years or longer
 - Risk-adjusted net performance (as measured by Sharpe ratio and/or Information Ratio) better than median over trailing 5-year period ending most recent quarter
 - Minimum assets under management in strategy of \$1 billion
 - Maximum assets under management in strategy of \$25 billion
 - Investment expense, after all rebates, equal to or less than 0.85%

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