FORT WORTH EMPLOYEES' RETIREMENT FUND
EMERGING INVESTMENT MANAGER POLICY

I. Purpose

The Fort Worth Employees' Retirement Fund ("FWERF" or the "Fund") Board of Trustees (the "Board") recognizes the value in utilizing the services of qualified minority, veteran, and woman-owned emerging investment managers in its overall investment strategy. A policy that seeks to encourage the engagement and retention of such emerging managers offers the Fund the ability to capitalize on the potential advantages provided by these smaller firms, such as the ability to remain flexible and nimble, provide enhanced focus on performance, client service and transparency, and offer reduced fees. Accordingly, the Board hereby declares its policy to make good-faith efforts to, wherever practicable and otherwise consistent with its fiduciary duties and any applicable Federal or State laws or regulations, invest with qualified minority, veteran, and woman-owned emerging investment managers in connection with the Fund's various investment portfolios and asset classes ("Policy").

II. Definitions

The following terms, wherever used in this Policy, shall have the following meanings:

A. "Qualified Emerging Investment Manager" means an investment management firm that (1) has been in operation as an investment management firm for at least five years and whose portfolio manager(s) has at least five years' experience in the management of the particular asset class for which investment services are being sought; (2) manages an investment portfolio of at least $50 million but less than $3 billion in private market strategies or manages an investment portfolio of at least $200 million but less than $100 billion in public market strategies; (3) satisfies the requirements set forth in §802.204(b)(1-3) of the Texas Government Code; and (4) has been qualified in accordance with subsection III(A) below.

B. "Minority-Owned Qualified Emerging Investment Manager" means a Qualified Emerging Investment Manager business not less than 51 percent of which is owned by one or more Minority Individuals, as defined in subsection II(C), or in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by such Minority Individuals.

C. "Minority Individual" means a person who is a citizen or lawful permanent resident of the United States and who is (1) African American, Hispanic American, Asian Pacific American, Subcontinent Asian American, or Native American; (2) a woman; or (3) a disabled veteran with a service connected

disability rating from the Department of Veteran Affairs, combat veterans who served in military campaigns, or Purple Heart.

III. Implementation

The Fund shall take the following steps to implement this Policy:

A. Require that its investment team and / or consultants: (1) develop and implement a process to identify potential Minority Owned Qualified Emerging Investment Managers for each investment strategy at the time of search or evaluation; (2) evaluate if potential Minority-Owned Qualified Emerging Investment Managers qualify based on (a) evaluating certifications issued by the U.S. Small Business Administration, Texas Small Business Administration, National Minority Supplier Development Council, Women's Business Enterprise National Council, or similar organizations, or (b) calculating the ownership percentages of the firm; and (3) if selected document the qualifications of the Minority-Owned Qualified Emerging Investment Managers.

B. To the extent practicable and otherwise consistent with the Board's fiduciary duties and any applicable Federal or State laws or regulations, include Minority-Owned Qualified Emerging Investment Managers in all asset manager searches and make good-faith efforts to engage the services of such firms for any of the Fund's investment portfolios and/or asset classes.

C. Post a copy of this Policy on the Fund's website and take reasonable steps to promote this Policy and offer a mechanism for potential Minority-Owned Qualified Emerging Investment Managers to submit qualification, performance, and cost data for identification and evaluation.

IV. Interpretation

Nothing in this Policy shall be construed to require the Board to take any action that the Board believes would contravene its obligations as a fiduciary or otherwise violate its duty to prudently invest the assets of the Fund as required by the Texas State Constitution, §802.203 of the Texas Government Code, applicable provisions of the Texas Trust Code, the administrative rules of the Fund, and the common law of trusts as they relate to the effective and prudent management of a public employee retirement system. No firm, corporation, or partnership shall be retained for an investment of Fund assets who does not possess the requisite experience and proven performance track record in the investment strategy for

which an investment manager is sought.

V. Policy Review

The Board shall periodically review this policy to assure its accuracy and relevance. This policy may be amended from time to time by majority vote of the Board.

This Policy was adopted by the Board of Trustees on August 26, 2009 and revised on the following dates:

9/26/2018	
4/22/2026	