



**LABORERS' AND RETIREMENT BOARD EMPLOYEES'  
ANNUITY AND BENEFIT FUND OF CHICAGO**

December 30, 2025

The Honorable J.B. Pritzker  
Governor, State of Illinois  
207 State House  
Springfield, IL 62706

RE: Emerging Investment Managers Report (40 ILCS 5/1-109.1(8))

Dear Governor Pritzker:

In accordance with the Illinois Compiled Statutes, Chapter 40, Act 5, Article 1, Section 109.1(8), requiring Illinois Public Retirement Systems and Pension Funds to submit an annual report on emerging investment managers and diversity policies, the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago (LABF) hereby submits its report.

Enclosed are the following policies adopted by the LABF's Board of Trustees in compliance with the statute:

- M/W/DBE/Emerging Investment Manager Utilization Policy;
- Policy Regarding Racial, Ethnic, and Gender Diversity for Fiduciaries, Consultants, and Senior Staff;
- Policy Regarding Businesses Owned by Minorities, Females, and Persons with Disabilities for Administrative Contracts and Service Agreements; and
- M/W/DBE Broker-Dealer Utilization Policy.

The LABF is continuously seeking to provide opportunities for emerging investment managers. Appendix A lists the names and addresses of the emerging investment managers employed by the LABF. As of December 31, 2024, these firms managed 18.3% of total LABF assets, comprised as follows:

*By Ownership Classification*

Minority: 13.3%

Woman: 5.0%

Disabled: 0.0%

*By Asset Class*

Equities: 11.8%

Fixed Income: 42.5%

Alternatives: 16.4%

As of December 31, 2024, Attucks Asset Management managed LABF's Emerging Managers Program and the following six (6) M/W/DBE Emerging Managers were under the program:

Boston Common  
Channing Capital Management  
Lisanti Capital Growth, LLC  
Profit Investment Management  
Redwood Investments  
Mac Alpha Capital Management

The LABF has and will continue to take action to increase the use of emerging investment managers within the bounds of fiduciary and financial prudence. The M/W/DBE/Emerging Investment Manager Utilization Policy is enacted whenever the LABF commences an investment manager search. The LABF strongly encourages emerging investment managers to meet with the LABF's investment consultant and to include their company's profile in the consultant's database for future investment manager search opportunities.

Regarding minority broker-dealers, LABF continues to stress to its investment managers the importance of trading with minority broker-dealers. The enclosed M/W/DBE Broker-Dealer Utilization Policy, subject to best price and execution, requires investment managers to adhere to minimum goals for utilization of minority brokerage firms for trades executed on behalf of LABF and to submit a progress report to the LABF on a quarterly basis. If an investment manager fails to comply with the M/W/DBE Broker-Dealer Utilization Policy, the manager will be placed on "watch" status and if compliance efforts are deemed insufficient, the manager may be called before the LABF's Board of Trustees for questioning and/or be terminated. The LABF has previously terminated a manager who did not comply with the goals outlined in the MWDBE Broker-Dealer Utilization Policy.

If you have any questions, please contact me at (312) 236-2065.

Sincerely,



Cameron Mock  
Executive Director

Enclosures.

cc: The Honorable Emanuel "Chris" Welch, Speaker of the House of Representatives  
The Honorable Don Harmon, President of the Senate

## Appendix A

### **EMERGING INVESTMENT MANAGERS** *As of December 31, 2024*

**Attucks Asset Management (LABF's Manager of Emerging Managers)**  
321 N Clark Street, Ste 740  
Chicago, IL 60654

**Brightwood Capital Advisors LLC**  
810 7th Ave, 26 FL  
New York, NY 10019

**Core Capital Management**  
300 N LaSalle St, Ste 2025  
Chicago, IL 60654

**LM Capital Group**  
750 B St, Ste 3010  
San Diego, CA 92101

**Long Wharf Capital LLC**  
One Federal St, 26th Floor  
Boston, MA 02110

**Palladium Equity Partners**  
1270 6th Ave 31st Floor  
New York, NY 10020

# POLICIES

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO  
INVESTMENT POLICY STATEMENT

**APPENDIX D. M/W/DBE / EMERGING INVESTMENT MANAGER UTILIZATION  
POLICY**

The Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ('LABF') is committed to providing opportunities for minority owned business entities, women owned business entities, and business entities owned by a person with a disability as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/2).

Pursuant to Illinois Pension Code (40 ILCS 5/1-109.1(4)), the LABF Board of Trustees has adopted the following minimum goals for the utilization of Emerging Investment Managers.

**Goals for the Utilization of Emerging Investment Managers:**

**By Ownership:**

| Investment Manager Classification | As a Percentage of Total LABF Assets |
|-----------------------------------|--------------------------------------|
| Minority Owned Business Entity    | 13% to 15%                           |
| Women Owned Business Entity       | 2% to 4%                             |
| Disabled Owned Business Entity    | Best Efforts                         |

**By Asset Class:**

| Asset Class  | As a Percentage of Total Asset Class |
|--------------|--------------------------------------|
| Equity       | 18% to 20%                           |
| Fixed Income | 18% to 20%                           |
| Alternatives | 11% to 16%                           |

*40 ILCS 5/1-109.1(4) defines "emerging investment manager" as a "qualified investment adviser that manages an investment portfolio of at least \$10,000,000 but less than \$10,000,000,000 and is a "minority-owned business", "women-owned business" or "business owned by a person with a disability" as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act."*

Pursuant to Illinois Pension Code (40 ILCS 5/1-109.1(9)), beginning February 1, 2015, the LABF Board of Trustees has also adopted the following policy setting minimum goals for the utilization of Minority Investment Managers.

**Goals for the Utilization of Minority Investment Managers by Classification:**

| Investment Manager Classification | As a Percentage of Total LABF Assets |
|-----------------------------------|--------------------------------------|
| Minority Owned Business Entity    | 15% to 23%                           |
| Women Owned Business Entity       | 2% to 5%                             |
| Disabled Owned Business Entity    | Best Efforts                         |

*40 ILCS 5/1-109.1(9) defines "minority investment manager" as "a qualified investment manager that manages an investment portfolio and meets the definition of "minority-owned business", "women-owned business", or "business owned by a person with a disability", as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act."*

These goals will be reviewed annually.

Pursuant to Illinois Pension Code (40 ILCS 5/1-109.1(10)), beginning January 1, 2016, it shall be the aspirational goal for LABF:

- to use emerging investment managers for not less than 20% of the total funds under management.
- that not less than 20% of investment advisers be minorities, women, and persons with disabilities.

Adopted November 17, 2009  
Last amended August 18, 2020.

**Laborers' and Retirement Board Employees'  
Annuity & Benefit Fund of Chicago**

**Policy Regarding Racial, Ethnic, and Gender Diversity  
For Fiduciaries, Consultants, and Senior Staff**

**WHEREAS**, the trustees of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago ("LABF") recognize the competitive advantage diversity brings to the business environment and remain dedicated to creating an inclusive business environment by increasing the diversity of LABF's fiduciaries and professional management; and

**WHEREAS**, in the procurement of consulting services for consultants,<sup>1</sup> who act as fiduciaries<sup>2</sup> on behalf of LABF, the Retirement Board will continue to require the inclusion of qualified service providers who are minority owned businesses, female owned businesses, and businesses owned by a person with a disability, as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, 30 ILCS 575/1 et seq.; and

**WHEREAS**, the General Assembly of Illinois amended the Illinois Pension Code, 40 ILCS 5/1-109.1(5), to require entities subject to the Pension Code, including LABF, to adopt a policy that sets forth goals for increasing the racial, ethnic, and gender diversity of its fiduciaries, consultants and senior staff and annually review the established goals.

**NOW THEREFORE, BE IT RESOLVED THAT**, the trustees of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago approve this policy to expend all reasonable and prudent efforts to use and retain fiduciaries, consultants, and senior staff that are diverse based on race, ethnicity, and gender. This policy shall be reviewed annually.

**I HEREBY CERTIFY** that this is a true copy of a Policy duly reviewed by the Retirement Board of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago, at a meeting held on July 22, 2025. The Policy was first adopted at a meeting held on November 17, 2009 and subsequently reviewed and revised at various meetings of the Retirement Board as noted below.



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Secretary  
The Retirement Board

<sup>1</sup> "Consultant" is defined at 40 ILCS 5/1-101.5 (2009).

<sup>2</sup> "Fiduciary" is defined at 40 ILCS 5/1-101.2 (2009).

Original Date: 11/17/2009  
Reviewed Date: 04/14/2015  
Reviewed Date: 04/28/2016  
Reviewed Date: 04/18/2017  
Reviewed Date: 04/17/2018  
Reviewed Date: 04/23/2019  
Reviewed Date: 07/21/2020  
Reviewed Date: 04/20/2021  
Reviewed Date: 04/19/2022  
Reviewed Date: 11/01/2023  
Reviewed Date: 07/23/2024

**Laborers' and Retirement Board Employees'  
Annuity & Benefit Fund of Chicago**

**Policy Regarding Businesses Owned by  
Minorities, Females, and Persons with Disabilities  
for Administrative Contracts and Service Agreements**

**WHEREAS**, the trustees of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago ("LABF") recognize a commitment to the success of businesses owned by minorities, females, and persons with a disability and acknowledge the competitive advantage diversity brings to the business environment; and

**WHEREAS**, the trustees of LABF are dedicated to promoting opportunities to award administrative contracts and service agreements executed on behalf of LABF to businesses owned by minorities, females, and persons with disabilities; and

**WHEREAS**, while recognizing this initiative, the trustees acknowledge their fiduciary responsibilities to LABF regarding best price and execution for all contracts for the purchase of services entered into on behalf of LABF; and

**WHEREAS**, the Executive Director shall report to the Retirement Board annually on all contracts let for contractual services; and

**WHEREAS**, the General Assembly of Illinois amended the Illinois Pension Code, 40 ILCS 5/1-109.1(6), to require entities subject to the Pension Code, including LABF, to adopt a policy that sets forth goals for utilization of businesses owned by minorities, females, and persons with disabilities, as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, 30 ILCS 575/1 et seq., for all contracts and services and annually review the established goals.

**NOW THEREFORE, BE IT RESOLVED THAT**, the trustees of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago approve this policy to include the utilization of qualified businesses owned by minorities, females, and persons with disabilities in any search for administrative contracts and service agreements that may be conducted by the Fund. Within the bounds of fiduciary and financial prudence, it shall be the goal of LABF to expend between 15% and 20% of its spending on administrative contracts and service agreements from businesses owned by minorities, females, and persons with disabilities.

This policy shall be reviewed annually and reported to the Governor and the General Assembly as required by the Pension Code.

**I HEREBY CERTIFY** that this is a true copy of a Policy duly reviewed by the Retirement Board of the Laborers' and Retirement Board Employees' Annuity & Benefit Fund of Chicago at a meeting held on July 22, 2025. The Policy was originally adopted at a meeting held on November 17, 2009, and subsequently reviewed and revised at various meetings of the Retirement Board as noted below.



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Secretary  
The Retirement Board

Original Date: 11/17/2009  
Reviewed Date: 04/15/2011  
Reviewed Date: 03/20/2012  
Reviewed Date: 04/16/2013  
Reviewed Date: 04/15/2014  
Reviewed Date: 04/14/2015  
Reviewed Date: 04/28/2016  
Reviewed Date: 04/18/2017  
Reviewed Date: 04/17/2018  
Reviewed Date: 04/23/2019  
Reviewed Date: 07/21/2020  
Reviewed Date: 04/20/2021  
Reviewed Date: 04/19/2022  
Reviewed Date: 11/01/2023  
Reviewed Date: 07/23/2024

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO  
INVESTMENT POLICY STATEMENT

**APPENDIX E. M/W/DBE BROKER-DEALER UTILIZATION POLICY**

The Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ('LABF') is committed to providing opportunities for minority owned business entities, women owned business entities, and business entities owned by a person with a disability as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/2).

Pursuant to the Illinois Pension Code (40 ILCS 5/1-109.1(7)), LABF Board of Trustees (the "Board") adopted the following M/W/DBE broker-dealer utilization policy. Where specific minority broker-dealer utilization goals are not set or do not apply, the Board encourages the investment managers to make a best-efforts attempt to utilize minority broker-dealers.

Investment managers of separately managed accounts, subject to best execution and their fiduciary duty to LABF in the management of LABF assets, shall make a best effort to adhere to the following minimum M/W/DBE broker-dealer utilization goals:

| <u>Asset Class</u>                                 | <u>As a Percentage of Total Commissions</u>      |
|--|--|
| Domestic Equity (Large, Mid, and Small Cap Equity) | 40%  |
| Global Equity                                      | 30%  |
| International Equity                               | 20%  |
| International Equity – Small Cap                   | 10%  |
| Emerging Markets Equity                            | 10%  |
|  | <u>As a Percentage of Total Par Value Traded</u> |
| Fixed Income                                       | 25%  |

Investment managers shall not utilize indirect methods, such as "step-out" commissions, to achieve these goals. Therefore, to meet LABF's M/W/DBE goals, all trades must be executed directly with the M/W/DBE broker-dealers.

In consideration of Section 1A-108.5 of the Illinois Pension Code (40 ILCS 5/1A-108.5), the Board encourages the utilization of qualified broker-dealers that have an office in Chicago or within the State of Illinois.

Each investment manager shall submit a compliance report to LABF on a quarterly basis in a format as reasonably requested by LABF. LABF investment staff will report to the Board annually on the utilization of M/W/DBE broker-dealers. If an investment manager fails to comply with the above guidelines on a calendar basis, they may be asked to appear before the Board and explain why they were unable to achieve the M/W/DBE utilization goals. Failure by an investment manager to meet the M/W/DBE brokerage goals will be considered a factor when evaluating overall performance of the investment manager.

This policy will be reviewed annually.

*Adopted December 17, 2002*  
Last amended March 19, 2019