

INVESTMENT COMMITTEE MEETING - CONFERENCE CALL*

Maryland State Retirement and Pension System
120 E. Baltimore Street, 16th Floor Board Room
Baltimore, Maryland 21202

Tuesday, 9/21/2021
9:30 AM - 1:30 PM ET

immediately following the Corporate Governance Committee meeting, but not earlier than 9:30 a.m.

***NOTE: Participation via Conference Call is for Trustees, Agency Staff and Presenters Only. Public attendees can hear a live audio-stream of the meeting by clicking on the link in the meeting schedule section on the Agency's website.**

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|-------------|--|------------|
| ACTION ITEM | 1. Ratification of the Open Session Minutes
The Open Session Minutes of the May 18, 2021 Investment Committee meeting will be considered
<i>May 18 2021_OPEN SESSION minutes - Page 5</i>

RATIFY..... AMEND.....DEFER | 9:30 a.m. |
| INFORMATION | 2. Investment Committee Roles and Responsibilities
The committee will review its roles and responsibilities.
<i>Investment Committee Charter and Investment Committee Charter Deliverable Checklist - Annual 2020 - Page 13</i> | 9:35 a.m. |
| ACTION ITEM | 3. Investment Division Fiscal Year 2023 Budget
The Committee will be asked to approve the FY2023 Investment Division budget. Preliminary estimates that may be updated in February.
<i>Investment Division Fiscal Year 2023 Budget - Page 17</i>

APPROVE.....DISAPPROVE | 9:50 a.m. |
| INFORMATION | 4. Report from CIO
Staff will present an update on Key Performance Indicators, division activities, 2Q21 investment performance and a summary of portfolio characteristics.
<i>CIO's ReportOpenplacehldermemo - Page 23</i>
<i>2021 06 30 CIO Portfolio Review and Update - Page 25</i> | 10:20 a.m. |
| INFORMATION | 5. The Townsend Group Report
The Townsend Group will give an update on the Real Estate Program. Report is attached in EXHIBIT BOOK.
<i>The Townsend Group Reportplacehldermemo - Page 67</i> | 10:40 a.m. |
| INFORMATION | 6. Hamilton Lane Report
Hamilton Lane will provide an update and outlook on the Natural Resources and Infrastructure Program. Report is attached in EXHIBIT BOOK.
<i>The Hamilton Lane Reportplacehldermemo - Page 69</i> | 11:00 a.m. |

- ACTION ITEM 7. Asset Allocation Recommendation** **11:20 a.m.**
 Staff and Meketa Investment Group will present the results of the Asset Liability study with options and recommended changes to asset allocation and benchmarks. Meketa Report is in EXHIBIT BOOK.
saa_2021_09_21 ap v3 - Page 71
- APPROVE.....DISAPPROVE.....DEFER
- INFORMATION 8. Meketa Reports** **12:00 p.m.**
 Meketa Investment Group will present a June 30, 2021 performance and market update. Report is attached in EXHIBIT BOOK.
Meketa Reportplacehldermemo - Page 79
- INFORMATION 9. Committee Led Discussion** **12:15 p.m.**
 The Committee members will discuss new items or other issues of their choosing.
Committee Led Discussion memo - Page 81
- INFORMATION 10. Investment Reports** **12:30 p.m.**
 The Committee will receive the following reports:
 > State Street Performance Reports
 > Terra Maria Performance Reports
 > TUCS Report
 > Private Markets Performance Reports
 > Securities Lending Report
 > Division's FY22 Travel Plan - Update
 > Quarterly ORP Performance Report
 > OPEB-PHBT Update
 > New Hire Manager Report
 On the Directors Desk:
 > Broker Commission Reports
 > Quarterly Manager Fee Report
State Street Performance Reports_updated 08-03-2021 - Page 83
Terra Maria Performance Reports - Page 97
TUCS Report - Page 107
Private Markets Performance Reports - Page 113
Securities Lending Report - Page 129
Division's FY22 Travel Plan - Update - Page 131
Quarterly ORP Performance Report - Page 135
OPEB-PHBT Update - Page 141
New Hire Manager Report - Page 145
- ACTION ITEM 11. Motion by the Investment Committee to meet in Closed Session** **12:35 p.m.**
 for the purposes of:
 a) reviewing the closed session Investment Committee minutes, pursuant to General Provisions Art., § 3-103(a)(1)(i), the exercise of an

administrative function, and General Provisions Art., § 3-305(b)(13), to comply with a specific statutory requirement that prevents public disclosure, namely, General Provisions Art., § 3-306(c)(3)(ii), requiring that the minutes of a closed session be sealed and not be open to public inspection;

(b) considering the award of financial incentives for certain employees of the Investment Division, pursuant to General Provisions Art., Section 3-305(b)(1)(i), to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction;

(c) considering the award of financial incentives to the Chief Investment Officer pursuant to General Provisions Art., § 3-305(b)(1)(i), to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, and General Provisions Art., § 3-103(a)(1)(i), the exercise of an administrative function; and

(d) conducting an evaluation of the CIO's performance and compensation pursuant to General Provisions Art., Section 3-305(b)(1), consideration of a personnel matter, pursuant to General Provisions Art., Section 3-305(b)(1)(i), to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction.

APPROVE.....DISAPPROVE

CLOSED SESSION

ACTION ITEM 12. Ratification of the Closed Session Minutes 12:40 p.m.
The Closed Session minutes of the May 18, 2021 Investment Committee meeting will be considered.
May 18 2021_CLOSED SESSION minutes - Page 147

RATIFY..... AMEND.....DEFER

ACTION ITEM 13. Fiscal 2021-2022 Incentive Compensation Recommendations 12:45 p.m.
for Investment Division Staff
Staff Incentive Comp Rec Memo final - Page 155

APPROVE.....DISAPPROVE.....DEFER

- ACTION ITEM 14. Fiscal 2021-2022 Incentive Compensation Recommendation for the CIO 12:55 p.m.
CIO Incentive Comp Rec Memo final aug31 2021 - Page 161

APPROVE.....DISAPPROVE.....DEFER

- ACTION ITEM 15. CIO Performance Evaluation and Compensation Review 1:05 p.m.
CIO Performance Evaluation and Compensation Review memo - Page 165

APPROVE.....DISAPPROVE

- ACTION ITEM 16. Motion by Investment Committee to adjourn closed session and return to open session 1:25 p.m.

APPROVE.....DISAPPROVE

OPEN SESSION

- ACTION ITEM 17. Motion by the Investment Committee to adjourn meeting 1:30 p.m.

APPROVE.....DISAPPROVE

- INFORMATION 18. NEXT INVESTMENT COMMITTEE MEETING - NOVEMBER 16, 2021 @ 9:00 a.m.