

IAC Members Attending			
Jack McGrory	IAC Chair	Irv Rothenberg	Member
Steve Relyea	IAC Vice Chair	David Bach	Member
Robert Eaton (<i>Absent</i>)	Member	Tim Schaefer	Member
Leona Bridges	Member	Mike Lucki	Member
Staff / Other Attendees			
Ron Flatt	Director – Treasury Operations	Laura Wirick	Meketa – Investment Advisor
Scott August	Chief Investment Manager	Jonas Noack	Meketa – Investment Advisor
Taylor Brown (<i>Absent</i>)	Senior Treasury Analyst	Hannah Schriner	Meketa – Investment Advisor

The IAC Chair called the meeting to order and established a quorum on August 09, 2022, at 11:00 am.¹

Item I: Welcome, Public Comment, Housekeeping & Approval of Minutes – Action Item

The IAC Chair asked if there were any amendments or changes to the minutes from the April 6, 2022, meeting. Upon a motion duly made and seconded, the minutes were approved as submitted. There was no public comment.

Item II: IAC Member Update - Renewals – Information Item

During Item II, Chancellor’s Staff updated the IAC on the two-year term renewals for members Rothenberg and Bach.

Item III: TRP Quarterly Report – Information Item

Item III was an information item and is presented at each quarterly meeting. Meketa presented an Economic and Market Update as of June 30, 2022, which included updates on global economic information and financial markets, reviews of historical investment returns for various asset classes and sectors, relative valuations, and economic statistics. Finally, Meketa presented the TRP quarterly review and evaluation report as of March 31, 2022. Information in this report included the current TRP asset allocation, an update on TRP funding contributions, overall TRP performance versus its stated benchmarks, and detailed performance and characteristics for the TRP investment managers. Additional investment manager details are provided in the resource center on Diligent each quarter. As of March 31, 2022, the TRP market value was \$1.39 billion, an increase of approximately \$33.5 million from the beginning of the quarter. The TRP had net cash inflows of approximately \$100 million for the quarter per the TRP Funding Schedule and investment losses of \$66.5 million for the quarter.

Given that the meeting occurred on August 9th, 2022, Chancellor’s Staff also provided the IAC with an update on the TRP Market Value and performance as of August 8th, 2022.

¹ Details on all meeting agenda items are included in the meeting materials as presented at the CSU Investment Advisory Committee (“IAC”) meeting dated August 9, 2022.

Key points:

- As March 31, 2022, all TRP asset classes complied with the Policy Ranges outlined in the TRP Investment Policy.
- As of March 31, 2022, the TRP since inception return was +8.63% compared to +7.81% for the TRP Policy Benchmark and +7.67% for the TRP Strategic Benchmark.
- The TRP since inception return as of March 31, 2022, ranks in the 39th percentile of all Endowments in excess of \$250 million reporting to InvMetrics.²
- The TRP returned -4.93% for the first quarter 2022, compared to -4.46% for the TRP Policy Benchmark and +3.02% for the TRP Strategic Benchmark.

Chancellor's Staff also presented a draft of the CSU Quarterly Investment Report to be presented to the CSU Board of Trustees at the September 2022 meeting.

The IAC, Meketa, and Chancellor's Staff also engaged in further discussion surrounding the TRP Quarterly Report, the draft CSU Quarterly Investment Report, economic conditions, and market conditions.

Item IV: Guest Speaker – PGIM Fixed Income – Information Item

Guest speakers included PGIM's lead economist for G10 economies and PGIM's Co-Chief Investment Officer. PGIM is one of three fixed income managers for the CSU Intermediate Duration Portfolio (IDP). This item, however, was not a review of the CSU IDP account managed by PGIM, but rather the item was focused on providing an update on global and U.S. economic conditions as well as providing a multi-asset class outlook.

The IAC, Meketa, and Chancellor's Office staff engaged in further discussion with PGIM regarding global macro-economic conditions, the investment outlook for various asset classes, and PGIM's assessment and evaluation of various investment risk considerations.

Item V: Guest Speaker – First Sentier – Global Listed Infrastructure – Information Item

Guest speakers included a Senior Director at First Sentier as well as the head of First Sentier's Global Listed Infrastructure team. First Sentier manages the TRP's 4.5% target allocation to Global Listed Infrastructure within the Real Assets allocation. First Sentier provided an overview of the firm along with its investment philosophy and process. The firm spoke to the role and investment attributes of infrastructure in an inflationary environment. Next, First Sentier discussed opportunities and risks related to climate risks and an ongoing energy transition away from traditional fossil fuels and towards clean renewable energy, in particular implications for the utilities and transportation sectors and certain investments within First Sentier's Global Listed Infrastructure strategy. Finally, First Sentier discussed historical investment performance, risk levels, and portfolio positioning.

The IAC, Meketa, and Chancellor's Office staff engaged in further discussion with First Sentier regarding Global Listed Infrastructure and its role in the TRP and also discussed numerous aspects related to climate risks and an anticipated energy transition over time away from traditional fossil fuels and towards clean renewable energy.

The next meeting is scheduled for October 5th, 2022, at 11:00 am at the Office of the Chancellor.

There being no further business before the IAC, the meeting adjourned at 1:30 pm.

² There were 51 Endowments in the InvMetrics All Endowment > \$250 million peer universe as of March 31, 2022.

³ The long-term rate of inflation, as represented by U.S. Core CPI, is assumed to be approximately 2.2% per annum.