

State of Oregon

Office of the State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, Oregon 97224

OREGON INVESTMENT COUNCIL

July 19, 2023

Meeting Minutes

Members Present: Cara Samples, Lorraine Arvin, Pia Wilson-Body, Alline Akintore, Tobias Read, Kevin Olineck

Staff Present: Rex Kim, Michael Langdon, David Randall, Karl Cheng, Mike Mueller, Ben Mahon, Jen Plett, Rupa Raman, Louise Howard, Claire Illo, Wil Hiles, Ian Huculak, Angela Schaffers, Taylor Bowman, Ahman Dirks, Faith Sedberry, Amanda Kingsbury, Kenny Bao, Sara Bayes, Chuck Christopher, Dmitri Palmateer, Jennifer Kersgaard

Staff Participating Virtually: Aaron Schaffer, Aliese Jacobsen, Alli Gordon, Andrew Coutu, Andrew Robertson, Andrey Voloshinov, Anna Totdahl, Annie Gregori, Ashley Daigle, Austin Carmichael, Bradley Curran, Chris Ebersole, Debra Day, Dmitri Palmateer, Ericka Langone, Jacqueline Knights, John Lutkehaus, Josh Jones, Kaia Todd, Krystal Korthals, Loren Terry, Mark Selfridge, Michael Makale, Mohammed Quraishi, Odalis De La Cruz, Perrin Lim, Philip Larrieu, Roy Jackson, Scott Robertson, Sommer May, Tan Cao, Taylor Marks, Tiffany Zahas, Tim Miller, Tyler Bernstein, Will Hampson, Young Kim

Consultants Present: Allan Emkin, Mika Malone, Colin Bebee, Ashley Woeste, Tom Martin, Wil VanLoh, Stephen Kennedy, Ryan Fitzgerald, Christy Fields, Eric Larsen

PERS Present: Kevin Olineck

Legal Counsel Present: Steve Marlowe (Department of Justice)

The July 19, 2023, OIC meeting was called to order at 9:25 am by Cara Samples, Chair.

<u>Time</u>	<u>Tab</u>	<u>Presenter</u>
9:00	1	<p>Review & Approval of Minutes May 31, 2023 Chair Samples opened the meeting and asked for approval of the May 31, 2023, OIC regular meeting minutes. Treasurer Read moved approval at 9:25 am; Member Pia Wilson-Body seconded the motion which then passed by a 5/0 vote.</p>
	2	<p>Committee Reports Private Equity Committee: June 7th: KPS Special Situations Fund VI: \$150M</p>
		<p>Rex Kim Chief Investment Officer</p>

Real Estate Committee:
None

Opportunity Committee:
June 9th:
Arctos Sports Partners Fund II: \$150M

Alternatives Portfolio Committee:
July 11th:
Hudson Northern Shipping Fund V: \$150M
Quantum Capital Solutions II: \$160M + \$40M
side-car

Staff Discretion
CSF:
July 11th
Quantum Capital Solutions II: \$7.4M

9:05 – 9:55	3	<p>Energy Market Review Michele Della Vigna presented on the topic of the energy transition, in particular, the cost to upgrade the global energy system. He highlighted the effects of the Inflation Reduction Act on the cost curve for the development of clean energy technologies.</p>	<p>Michele Della Vigna Head of Natural Resources Research in EMEA, Goldman Sachs</p>
--- BREAK ---			
10:05 – 10:55	4	<p>Energy Transition Investment Landscape Wil VanLoh discussed the challenges and opportunities associated with investing in the Energy Transition. He went through in detail the various energy sources, highlighting the amount of each source that will be needed and how the sources work together.</p>	<p>Ben Mahon Senior Investment Officer, Alternatives Wil VanLoh Founder & CEO, Quantum Capital Group</p>
--- BREAK ---			
11:05 – 11:45	5	<p>OPERF Public Equity Progress Update (Action Item: Manager Recommendation.) Louise Howard and Wil Hiles from OST and Mika Malone from Meketa provided a progress report on the changes to the public equity portfolio. The results of the changes to the portfolio in 2023 has led to an overall reduction in active risk from more than 2% to below 2%, now below the limit set by policy.</p>	<p>Louise Howard Senior Investment Officer, Public Equity Wil Hiles Investment Officer, Public Equity Mika Malone Managing Principal, Meketa</p>

The changes have led to an increase in the proportion of active risk coming from security selection as planned.

In addition to the update, the Public Equity team recommended an investment in GQG Global Equity.

Treasurer Read moved approval at 11:35 am; Member Alline Akintore seconded the motion which then passed by a 5/0 vote.

11:45 – 12:15	6	<p>OPERF Diversifying Strategies Annual Review</p> <p>The Diversifying Strategies Portfolio returned 16.5% in CY 2022, significantly outperforming the HFRI FOF Conservative benchmark (+0.1). The portfolio is now outperforming its benchmark on a three-year basis.</p> <p>Project Pathfinder has received approval for 8 new strategies in past 16 months, totaling \$2.45 billion in commitments.</p>	<p>Ben Mahon Senior Investment Officer, Alternatives</p> <p>Stephen Kennedy Partner/Portfolio Analyst, Albourne</p> <p>Ryan Fitzgerald Portfolio Analyst, Albourne</p>
12:15	7	<p>Calendar – Future Agenda Items</p>	<p>Rex Kim</p>
12:15	8	<p>Open Discussion</p>	<p>OIC Members, Staff, Consultants</p>
12:15	9	<p>Public Comments</p>	