

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM  
OF THE STATE OF HAWAII

JULY 10, 2023

CITY FINANCIAL TOWER  
201 MERCHANT STREET, SUITE 1200  
HONOLULU, HAWAII 96813

Trustees present:  
(by teleconference) Dr. Genevieve Ley, Chair\*  
Mr. Bennett Yap, Vice Chair\*  
Mr. Vincent Barfield\*  
Dr. Catherine Chan\*  
Mr. Emmit Kane\*  
Mr. Luis Salaveria\*

Trustees absent: Mr. Lance Mizumoto

Staff present:  
(City Financial Tower  
by teleconference) Mr. Thomas Williams, Executive Director\*  
Ms. Kanoe Margol, Deputy Executive Director\*  
Mr. Kona Mann, Chief Compliance Officer\*  
Mr. Bart Asato, Program Specialist\*  
Mr. James Greubel, Program Specialist  
Ms. Shanna Sakagawa, Program Specialist  
Mr. Keith Miyamoto, Information Services Branch Manager\*  
Ms. Sandra Straub, Information Services Systems Supervisor\*  
Ms. Gwendolyn Carranza, Information Technology Band B\*  
Ms. Kristin Varela, Chief Investment Officer\*  
Mr. Anthony Goo, Deputy Chief Investment Officer\*  
Mr. Howard Hodel, Senior Investment Officer  
Mr. Aaron Au, Investment Officer – Private Equity  
Ms. Christine Chang, Investment Officer – Liquid Diversifying Strategies\*  
Mr. David Okamoto, Investment Officer – Credit Markets  
Mr. Andrew Chen, Investment Specialist  
Ms. Gerri Konishi, Member Home Loan Assistant  
Ms. Lori Kim, Secretary\*  
Ms. Andrea Gasper, Secretary\*  
Ms. Diana Gomes, Recording Secretary\*

Attorney present:  
(by teleconference) Ms. Jenny Nakamoto, Deputy Attorney General\*  
Ms. Lori Tanigawa, Deputy Attorney General\*  
Ms. Elmira Tsang, Deputy Attorney General\*  
Ms. Diane Wong, Deputy Attorney General\*

Guests present:  
(by teleconference) Mr. Vincent Hoang, Hawaii State Office of Enterprise Technology Services\*  
Ms. Natalie Fitch, Hamilton Lane Advisors, LLC  
Mr. Tyson Suehiro, KMH LLP  
Mr. Colin Bebee, Meketa Investment Group, Inc.

Public present:  
(by teleconference) Mr. Douglas Appell  
Mr. Kevin Balaod, With Intelligence  
Ms. Caroline Bryan  
Mr. Gregg Gethard, Buyouts  
Ms. Radhika Iyer  
Ms. Maynard Keshini  
Mr. Tim Muller  
Ms. Teresa Shimizu  
Mr. Nathan Paulsen

\*Attended Executive Session.

## QUORUM/CALL TO ORDER

A quorum being present (Chair Ley, Vice Chair Yap, Trustees Barfield, Chan, Kane, and Salaveria), Chair Ley called the regular meeting of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 10:05 a.m. and requested each Trustee identify themselves and confirm that they are the only ones present at their remote location while attending the meeting. Each of the Trustees present confirmed same.

On a motion made by Trustee Barfield, seconded by Vice Chair Yap, and unanimously carried, to be able to hold a meeting allowing Trustees and members of the public to participate by interactive conference technology, pursuant to HRS §92-3.7, with at least one meeting location open to the public that has audiovisual connection.

## PUBLIC COMMENT

Chair Ley called for public comment. There was no public present in person, however, nine (9) members of the public were present by teleconference, but they had no public comment. Also, no written testimony was received for this meeting.

## EXECUTIVE DIRECTOR'S REPORT

Executive Director (ED) Williams gave an oral report to the Board as follows:

- The Chief Investment Officer for the Employer-Union Health Benefits Trust Fund will be departing and a replacement is being sought. Some potential ERS staff may be applying.
- Chair Ley, Chief Investment Officer (CIO) Kristin Varela, and Senior Investment Officer (SIO) Howard Hodel represented the ERS at the 20<sup>th</sup> Annual Hedge Fund Industry Awards in New York on May 11, 2023. Although Utah was awarded Public Plan of the Year, we applaud the Investment Office for being a finalist.
- The Board has requested ERS staff seek security measures for HRS Chapter 91 Proceedings due to unruly behavior at a recent contested case hearing. The DAGs office has agreed that if needed they will provide an investigator, former police officers, to attend.
- The ERS Investment Summit will be July 26-28, 2023, and the agenda and information are available on the Whova website. Room blocks are fully booked with 180 participants of the 152 investment managers represented. Please contact any staff members if there are any further questions.
- The Legislature issued new telework guidelines that if implemented may lower productivity for participating individuals. The B&F Leadership team has developed and is considering recommending a reporting approach that would minimize recordkeeping required by the Legislature consisting of a time log of activities. ERS does not currently have any teleworkers but could offer the flexibility if requested.
- The Settlement of Senate Bill 211, Act 46, which Unions were concerned and supportive of was signed by the Governor on June 1, 2023. ERS is working on implementing and processing the settlement.
- DAG Stacy Teruya, counsel for the ERS Medical Board left on June 15, 2023, and Doris Dvnoch previously left to work with the Federal Government. DAG Clarissa Goda will be assigned to work with the Medical Board.
- Meetings will continue with architects and building management to plan for remodeling of vacant ERS office space.
- Congratulations to Chair Ley for running unopposed on the recent ERS Trustee election, she will serve for a second term from January 2, 2024, to

EXECUTIVE DIRECTOR'S  
REPORT (CONT'D)

January 1, 2030. As stated in HRS §88-24 (2) "... if after the close of filing of petitions for candidacy, a member is unopposed for election to a trustee position, the member shall be deemed and declared to be duly and legally elected to the position of trustee without an election."

- Shared that Trustee Mizumoto announced his retirement from First Hawaiian Bank beginning October 1, 2023.
- Attended a credit rating presentation by Fitch with the B&F Director and his staff.
- Regarding Trustees Meetings, an OIP ruling requiring a summary of executive session actions and discussions to be provided once exiting executive session during Board meetings.

DEPUTY EXECUTIVE  
DIRECTOR'S OPERATIONS  
REPORT

Deputy Executive Director Kanoe Margol gave updates to the Board on ERS staffing and projects of Administration, Accounting, Information Services, Retirement Benefits and Staff Support Services Branches as presented in the June 2023 Monthly Operations Report.

CHIEF COMPLIANCE  
OFFICER'S UPDATE  
REPORT

Chief Compliance Officer (CCO) Kona Mann gave an oral and written report to the Board on the Compliance Quarterly Update Report and discussed the Executive Summary that included Key Highlights, Next Steps, and Risks. CCO Mann also reported that at the Administrative & Audit Committee meeting of July 6, 2023, it was requested and approved by the Committee to acquire and procure an Employees' Retirement System Audit Platform.

PUBLIC COMMENT

Chair Ley called for public comment. There were no public comments from public members attending.

REPORT BY THE  
GOVERNANCE POLICY  
COMMITTEE

Governance Policy Committee (Committee) Chair Ley reported to the Board that the Committee has not met and that there was nothing new to report.

REPORT BY THE  
ADMINISTRATIVE &  
AUDIT COMMITTEE

Administrative & Audit Committee (Committee) Chair Kane reported to the Board that the Committee met on July 6, 2023.

KMH LLP's INTERNAL  
AUDIT UPDATE  
REPORT

Committee Chair Kane also reported that KMH LLP's Internal Audit Update Report and the Update on Internal Audit Risk Findings, Strategic Plans to Manage Risk Findings, and Act 87, SLH 2015, Compliance Standards were reviewed by the Committee and was presented for the Board's information.

UPDATE ON INTERNAL  
AUDIT RISK FINDINGS,  
STRATEGIC PLANS TO  
MANAGE RISK  
FINDINGS, AND  
ACT 87, SLH 2015,  
COMPLIANCE  
STANDARDS

Committee Chair Kane further reported that in Executive Session, and as part of the Internal Audit Update Report, updates were given on Cyber Security and Act 87, SLH 2015, Compliance Standards. Committee Chair Kane stated that the Committee accepted as recommended an Extension of the Implementation Period of Core Reporting Requirements and Status of Current Compliance Including Outstanding Issues with HRS §88-103.7, as Amended by Act 87, SLH 2015. These two items will be reported in Executive Session for Board's information and approval.

REQUEST TO ACQUIRE  
AN EMPLOYEES'  
RETIREMENT SYSTEM  
AUDIT PLATFORM

Committee Chair Kane requested, as presented by CCO Mann's presentation, acquisition and procurement of an Employees' Retirement System Audit Platform.

On a motion made by Committee Chair Kane, seconded by Trustee Yap, and unanimously carried, the Board approved the Request to Acquire and Procure an Employees' Retirement System Audit Platform as presented.

UPDATE ON TRUSTEE  
ELECTION

On behalf of the Committee, Committee Chair Kane congratulated Chair Ley on her reappointment as ERS Trustee for a second term from January 2, 2024, to January 1, 2030.

REPORT BY THE  
LEGISLATIVE  
COMMITTEE

Legislative Committee (Committee) Chair Yap reported to the Board that the Committee has not met, however, re-iterated as reported by the ED and DED, that the Governor passed Senate Bill 211, Act 46, of which a copy has been provided for the Board's information.

REPORT BY THE HUMAN  
RESOURCES COMMITTEE

Human Resources Committee (Committee) Chair Ley reported to the Board that the Committee has not met, however, compensation adjustments for exempt staff were approved and processed by Budget and Finance and should be implemented in the new fiscal year. The next scheduled meeting is anticipated to be in August.

REPORT BY THE  
INVESTMENT COMMITTEE

Investment Committee (Committee) Chair Chan reported to the Board that the Committee last met on May 22, 2023, and June 27, 2023, and discussed:

- Review of the Total Fund Performance for the first quarter of 2023 and Alternative Asset Class Performance for the Private Equity Portfolio for the fourth quarter of 2022. Brief reviews were given as a part of this report.
- Approved a newly created Annual Workplan for the Committee. A planning tool intended to outline key governance and oversight items over a year and set expectations for staff on reporting and meeting structure.
- Worked on and recommended final approval by the Board, changes to the Growth Portfolio to meet long-term goals within the Asset Liability Study. A brief review was given as a part of this report.

REVIEW AND  
APPROVE  
INVESTMENT  
COMMITTEE CHARTER

Chief Investment Officer (CIO) Varela reported the remainder of the Committee items to the Board starting with the Investment Committee Charter stating that it was approved by the Committee and was presented for approval by the Board.

On a motion made by Committee Chair Chan, seconded by Trustee Barfield, and unanimously carried, the Board approved the Investment Committee Charter (Charter) as presented. It was noted at the last Board meeting of March 13, 2023, that on behalf of the Governance Policy Committee the Board would approve the Charter upon acceptance by the Investment Committee. A copy of the Charter is attached to these minutes for clarification.

REVIEW AND  
APPROVE ASSET  
LIABILITY STUDY

Meketa Investment Group Inc.'s (Meketa) Colin Bebee joined by teleconference and presented an oral and written report to the Board on a Review and Approval of the Asset Liability Study and highlighted:

INTRODUCTION AND GOALS FOR TODAY

*Asset Allocation Changes*

*Summary of Recommendations*

*Portfolios*

*Broad Growth Structure*

*Diversifying Strategies Structure*

POLICY PORTFOLIO PURPOSE

*Policy Portfolio Challenges*

*Portfolio Return Decomposition*

*ERS Governance Model*

UPDATED MODEL OUTPUT

*Refined Model Constraints*

REVIEW AND  
APPROVE ASSET  
LIABILITY STUDY  
(CONT'D)

*Stress Tests*  
*Key Asset-Liability Metrics*

CONCLUSION AND NEXT STEPS

*Additional Considerations*

ERS Staff and Meketa recommended Option 2 be selected effective January 1, 2024.

On a motion made by Committee Chair Chan, seconded by Trustee Barfield, and unanimously carried, the Board approved, as recommend by the Investment Committee, ERS Staff, and Meketa, the selection of Option 2 of the Asset Liability Study to be effective January 1, 2024.

REVIEW TOTAL FUND  
PERFORMANCE Q1  
2023

Meketa's Colin Bebee presented an oral and written report to the Board on a Review of Total Fund Performance Q1 2023 and highlighted:

INTRODUCTION

*Portfolio Valuation*

*Performance vs. Policy Benchmark and Median Public Fund*

*Asset Allocation vs. Target*

*Index Returns*

- Despite volatility during the quarter, public markets, except commodities, finished the first quarter of 2023 in positive territory adding to the strong gains from the fourth quarter of last year.

ERS PORTFOLIO REVIEW

*Performance Attribution v. Policy Benchmark – Quarter ending March 31, 2023*

*Performance Attribution v. Policy Benchmark – Trailing 1-Year ending March 31, 2023*

*Performance Attribution v. Policy Benchmark – Trailing 3-Year ending March 31, 2023*

*Performance Attribution v. Policy Benchmark – Trailing 5-Year ending March 31, 2023*

REVIEW  
ALTERNATIVE ASSET  
CLASS  
PERFORMANCE:  
PRIVATE EQUITY Q4  
2022

Hamilton Lane Advisors, LLC, (HL) Natalie Fitch joined the meeting by teleconference and presented an oral and written report to the Board on a Review of Alternative Asset Class Performance: Private Equity Q4 2022 and highlighted:

PORTFOLIO REVIEW

*PE Portfolio Highlights – December 31, 2022*

- Portfolio generated quarterly net IRR of 1.00%, or net value increase of \$40.8M.
  - Since inception performance declined 15 bps during the quarter but continues to perform above pre-Covid levels.
    - The Portfolio outperformed its public benchmark, MSCI ACWI IMI +200 bps, by 655 bps on a since inception basis.
    - Over the last three years, net value increase of \$1.6B.
  - One-year net IRR of (2.59%) outperformed public benchmark by 1,525 bps.
- Performance Against Benchmark*
- Portfolio outperforming benchmark, MSCI ACWI IMI +200 bps, across all periods.
    - Portfolio outperforms public benchmark by 655 bps on a since inception basis.
    - Average premium above MSCI +200 bps of 1,138 bps.

REVIEW  
ALTERNATIVE ASSET  
CLASS  
PERFORMANCE:  
PRIVATE EQUITY Q4  
2022 (CONT'D)

- Portfolio generated double digit performance across all longer-term time periods.

*Attribution Analysis*

- Venture Capital has detracted from performance on since inception and 1-year basis.
- Mid-market buyout has contributed positively to portfolio performance.

*Quarterly Cash Flow Summary*

- Q1 2023 cash flow negative with contributions exceeding distributions by \$34.0M.
  - Q1 2023 contributions down 34% from Q4 2022; distributions down 35%.
  - Q1 2023 contributions and distributions are down 41% and 54%, respectively, compared to Q1 2022.

*Foundation Manager Performance – December 31, 2022*

- Foundation Managers continue to represent majority of Portfolio value.
  - 71% of committed capital and 82% of NAV.
- Foundation Managers outperforming total Portfolio by 302 bps.
- HL Portfolio outperforming total Portfolio by 590 bps.

*2023 Commitment Summary*

- Investments are consistent with the themes and recommendations highlighted in Hamilton Lane's Strategic Plan.
- On track to execute approved 2023 commitment pacing range of \$600M - \$700M, including ERS Staff discretionary allocation of \$50M - \$100M.

APPROVAL OF MINUTES  
– MAY 8, 2023

On a motion made by Trustee Barfield, seconded by Vice Chair Yap, and unanimously carried, the Board approved the Minutes of May 8, 2023, as presented.

PUBLIC COMMENT

Chair Ley called for public comment. There were no public comments from public members attending.

Chair Ley identified all the participants in Executive Session, the Board, staff members, Deputy Attorneys general, and Guests are identified with an asterisk on these minutes and listed on the Executive Session Minutes.

Chair Ley provided the reason to enter into Executive Session:

Executive Session, pursuant to HRS §92-5(a)(2), and (4), to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities to consider sensitive matters related to Cyber Security Updates; with respect to Extension of the Implementation Period of Core Reporting Requirements and Status of Current Compliance Including Outstanding Issues with HRS §88-103.7, as Amended by Act 87, SLH 2015; and to discuss the Employment of HRS Chapter 76 Exempt Staff of the Employees' Retirement System, where matters affecting privacy will be involved; and to deliberate or make a decision on the approval of Executive Session Minutes which are confidential under State law.

ENTER EXECUTIVE  
SESSION

On a motion made by Trustee Salaveria, seconded by Trustee Chan, and unanimously carried, the Board entered into Executive Session at 11:39 a.m.

(Public participation concluded by ending the teleconference link.)

All attendees participating by teleconference affirmed that no other persons were in their rooms or able to listen in on their audio or audiovisual connection. Recording Secretary Diana Gomes confirmed that no unauthorized persons were

in the conference room or able to listen in via audio or audiovisual connection while on the teleconference.

## EXECUTIVE SESSION

- Pursuant to HRS §92-5(a)(4), and (a)(6) to consider and consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities, and to consider sensitive matters related to Cyber Security Updates.
- Pursuant to HRS §92-5(a)(4), to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to Extension of the Implementation Period of Core Reporting Requirements and Status of Current Compliance Including Outstanding Issues with HRS §88-103.7, as amended by Act 87, SLH 2015; for appropriate action.
- Pursuant to HRS §92-5(a)(2) and (4), to discuss the Employment of HRS Chapter 76 Exempt Staff of the Employees' Retirement System, where matters affecting privacy will be involved, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities; for appropriate action.

EXECUTIVE SESSION,  
PURSUANT TO HRS §92-5(a)(4),  
AND (a)(6) TO CONSIDER AND  
CONSULT WITH THE BOARD'S  
ATTORNEYS ON QUESTIONS  
AND ISSUES PERTAINING TO  
THE BOARD'S POWERS,  
DUTIES, PRIVILEGES,  
IMMUNITIES, AND  
LIABILITIES, AND TO  
CONSIDER SENSITIVE  
MATTERS RELATED TO  
CYBER SECURITY UPDATES

EXECUTIVE SESSION  
PURSUANT TO HRS §92-5(a)(4),  
TO CONSULT WITH THE  
BOARD'S ATTORNEYS ON  
QUESTIONS AND ISSUES  
PERTAINING TO THE BOARD'S  
POWERS, DUTIES, PRIVILEGES,  
IMMUNITIES, AND  
LIABILITIES WITH RESPECT  
TO EXTENSION OF THE  
IMPLEMENTATION PERIOD OF  
CORE REPORTING  
REQUIREMENTS AND STATUS  
OF CURRENT COMPLIANCE  
INCLUDING OUTSTANDING  
ISSUES WITH HRS §88-103.7, AS  
AMENDED BY ACT 87, SLH  
2015; FOR APPROPRIATE  
ACTION

EXECUTIVE SESSION  
PURSUANT TO HRS §92-5(a)(4),  
TO DISCUSS THE  
EMPLOYMENT OF HRS  
CHAPTER 76 EXEMPT STAFF  
OF THE EMPLOYEES'  
RETIREMENT SYSTEM, WHERE  
MATTERS AFFECTING  
PRIVACY WILL BE INVOLVED,  
AND TO CONSULT WITH THE  
BOARD'S ATTORNEYS ON

QUESTIONS AND ISSUES  
PERTAINING TO THE BOARD'S  
POWERS, DUTIES, PRIVILEGES,  
IMMUNITIES, AND  
LIABILITIES; FOR  
APPROPRIATE ACTION.

APPROVAL OF EXECUTIVE  
SESSION MINUTES  
– MAY 8, 2023

APPROVAL OF CONFIDENTIAL  
EXECUTIVE SESSION  
MINUTES  
– MAY 8, 2023

EXIT EXECUTIVE SESSION

On a motion made by Trustee Barfield, seconded by Trustee Chan, and unanimously carried, the Board exited Executive Session at 12:30 p.m.

Chair Ley announced that while in Executive Session, the Board discussed Cyber Security with Hawaii State Office of Enterprise Technology Services Vincent Hoang and ERS staff Information Service Branch Manager Keith Miyamoto. The Board also discussed the implementation of employer reporting requirements and discussed confidential personnel matter.

ADJOURNMENT

On a motion made by Trustee Salaveria, seconded by Vice Chair Yap, and unanimously carried, Chair Ley adjourned the meeting at 12:32 p.m.

**REDACTED SIGNATURE**

Thomas Williams  
Executive Director  
TW:dg/dkik





**Employees' Retirement System of the State of Hawaii**  
**BOARD OF TRUSTEES**  
**INVESTMENT COMMITTEE CHARTER**

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**I. PURPOSE**

The ~~purpose of the~~ Investment Committee ("Committee") of the Employees' Retirement System ("ERS") of the State of Hawaii is a committee of the Board of Trustees ("Board"). Its primary function is to carry out the policy development and investment decision-making responsibilities delegated by the Board to include specified oversight, review and monitoring of investment decision-making, implementation, process compliance and reporting responsibilities of the Investment Office and its staff, consultants and advisors.

**II. COMMITTEE MEMBERSHIP**

The Investment Committee ~~(the "Committee")~~ of the Board of Trustees ~~(the "Board")~~ of the Employees' Retirement System of the State of Hawaii ~~(the "ERS")~~ shall consist of no more than four (4) Board members who shall be appointed by the Board Chair and approved by the Board. The members of the Committee shall be appointed for one-year terms and shall serve for such term or terms as the Board may determine or until earlier resignation. The Board may remove any member from the Committee at any time with or without cause.

**III. MEETINGS**

The Committee shall in general meet in advance of each Board meeting, except when there is a Special Board meeting, and at such other times and places as the members of the Committee deem necessary to fulfill the Committee's responsibilities. The Committee shall report regularly to the Board regarding its actions and those of the investment staff and make recommendations to the Board as appropriate. The Committee may invite such member of management to its meetings as it deems appropriate. The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.



**Employees' Retirement System of the State of Hawaii**  
**BOARD OF TRUSTEES**  
**INVESTMENT COMMITTEE CHARTER**

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**IV. AUTHORITY AND RESPONSIBILITIES**

Hawaii Revised Statutes (HRS) 88-110 vests authority for investing ERS assets with its Board. The Board, acting within its discretion, has delegated certain specified investment oversight and decision-making authority to the Investment Committee of the Board. The Board retains fiduciary responsibility for all ERS investment and non-investment decisions.

The members of the Committee shall designate from amongst its membership persons to serve as Chair and Vice-Chair.

The Committee shall have the following authority and responsibilities:

- To review and make investment policies and guideline recommendations for the Board's consideration.
- Establish the guidelines applicable to implementation and investment decision-making delegated to investment staff.  
While guidelines are intended to be durable, they may be revised at the Committee's discretion
- Establish and monitor investment office reporting requirements, process, and policy compliance.
- To review and make recommendations annually about the ERS's goals and objectives applicable to the Investment Office.
- To review and approve ongoing activities of the Investment Office in regards to the goals and objectives and any additional tasks assigned to the Investment Office from the Board.
- To assign and provide direction to the Chief Investment Officer (CIO) and, if applicable, the Executive Director (ED) on priorities and actions to successfully execute the responsibilities of the Investment Office.



**Employees' Retirement System of the State of Hawaii  
BOARD OF TRUSTEES  
INVESTMENT COMMITTEE CHARTER**

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The Committee shall consult with the ED on the goals and objectives applicable to the CIO and Investment Office.

**V. OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to obtain the advice of any ERS consultant or ERS service provider for the purposes of carrying out its duties related to the Investment Office and investment activities. The Committee shall have the authority, in its sole discretion, to obtain the advice and assistance of ERS's legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall not be required to implement or act ~~consistently with~~ upon the advice or recommendations of its consultant, legal counsel or other advisor to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter. The consultant(s), outside counsel and any other advisors retained by, or providing advice to, the Committee (other than the ERS's in-house counsel) shall be independent as determined in the discretion of the Committee and Board.

**VI. PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties under this charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it and the Board deems appropriate.

*Adopted and Approved by the Board of Trustees: September 30, 2013, November 9, 2020, April 11, 2022  
Accepted by the Governance Policy Committee: November 5, 2020, March 28, 2022  
Revised and Accepted by the Investment Committee: January 24, 2022, May 22, 2023*