

**NOTE:** The draft of these minutes from the June 11, 2024, Independent Investment Committee meeting is subject to approval and execution at a subsequent meeting.

**Independent Investment Committee Meeting  
June 11, 2024  
DRAFT Public Minutes**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, NH 03301**

*Committee Members:*

- Christine Clinton, CFA, *Chair*
- Brian Bickford, CFA, CFP®, *Member*
- Maureen Kelliher, CFA, *Member*
- Mike McMahon, *Non-Voting Member*
- Paul Provost, CFP®, *Member*

*Staff:*

- Jan Goodwin, *Executive Director*
- Raynald Leveque, *Chief Investment Officer*
- Gregory Richard, CFA, CAIA, *Senior Investment Officer*
- Shana Bilech, CFP®, *Investment Officer*
- Jonathan Diaz, *Investment Officer*
- Jesse Pasierb, *Investment Operations Analyst*
- Mark Cavanaugh, *Associate Counsel, and Compliance Officer (by video conference)*
- Tim Crutchfield, *Deputy Director, and Chief Legal Counsel (by video conference)*
- Heather Hoffacker, *Internal Auditor (by video conference)*
- John Laferriere, *Director of Information Technology (by video conference)*

*Guests:*

- Ryan Brauns, *Partner, Ares Credit Group*
- Kara Herskowitz, *Managing Director, Ares Investor Relations*
- Maggie Todd, *Senior Associate, Ares Global Client Solutions*
- Anthony Frammartino, *President, The Townsend Group*
- Tony Pietro, *Partner, The Townsend Group*
- Joe Davenport, *Partner, The Townsend Group*
- Christian Nye, *Associate Partner, The Townsend Group*
- Angel Haddad, *Senior Vice President, Callan LLC*
- Pete Keliuotis, *CFA Executive Vice President, Callan LLC*

- David Smith, CFA, CTP, Senior Vice President, Callan, LLC

Chair Clinton called the meeting to order at 1:30 PM.

On a motion by Mr. Provost, seconded by Mr. Bickford, the Independent Investment Committee (Committee) unanimously approved the public minutes of the April 9th, 2024, Committee meeting as presented.

Mr. Leveque reviewed investment returns through recent periods and referred to the Callan Monthly Review for the period ending April 30, 2024. He shared an update on holdings within the NHRS portfolio. Fixed Income was rebalanced from domestic equity during the month of May 2024, to bring fixed income back within its target allocation range. Mr. Leveque updated the Committee on total plan liquidity, Russian holdings, and the Work Plan.

Mr. Leveque provided the Committee with an update on the Investment Team's Strategic Asset Allocation Implementation Plan. He provided a status update on the advisory work being performed by Funston Advisory Services (Funston) on the Investment Office Strategic Plan in conjunction with the plan developed by the Investment Team. He also commented on the work being performed by CEM Benchmarking (CEM).

Mr. Leveque proposed and the Committee approved, a special meeting on July 9, to discuss the Strategic Plan for the Investment Office.

On a motion by Mr. Bickford, seconded by Ms. Kelliher, the Committee unanimously approved to renew the Investment Management Agreement mandate with BlackRock for a 5-year term through July 31, 2029.

Next, Mr. Leveque, Ms. Bilech and Mr. Keliuotis provided an overview of Ares Management Corporation (Ares). They discussed the opportunity to invest in Ares Senior Direct Lending Fund (Fund III) and provided NHRS Investment Staff's recommendation to invest in Fund III. Following this, the Committee heard from representatives of Ares.

Ms. Todd and Ms. Herskowitz introduced Ares to the Committee. Ms. Herskowitz gave an overview of Ares and its organizational structure. Mr. Brauns detailed Ares' investment philosophy, team, and process. He discussed case studies and the performance of investments in Ares Senior Direct Lending Fund I and Fund II and closed by discussing Fund III key terms.

The Committee discussed the presentation made by Ares and the opportunity to invest in Ares Senior Direct Lending Fund III (Fund III). On

a motion by Ms. Kelliher, seconded by Mr. Bickford, the Committee unanimously voted to commit \$100 million to Ares Senior Direct Lending Fund – “Unlevered” (Fund III), subject to contract and legal review.

Next, the Committee heard from representatives of The Townsend Group (Townsend) on the Real Estate Semi-Annual Portfolio Review and Calendar-Year 2024 Plan.

Mr. Frammartino opened with an organizational update and an overview of the NHRS and Townsend partnership, highlighting favorable performance and compliance with guidelines. Mr. Pietro summarized the investments initiated over the calendar year to date, discussing portfolio performance, diversification, and current positioning.

Next, Mr. Davenport reviewed the progress of the goals set for the NHRS Calendar Year 2024 Investment Plan. Mr. Nye and Mr. Davenport provided an overview of recent investments and performance. Mr. Pietro closed the section with a review of the portfolio’s current investment profile and upcoming goals for FY 2025

Mr. Keliuotis and Mr. Smith, referred to the “Semi-Annual Alternatives Portfolio Review,” presentation dated June 2024 and provided a detailed overview of the private equity and private credit assets of the NHRS portfolio as of December 31, 2023.

Mr. Smith provided an overview of the NHRS private equity portfolio, followed by a detailed overview of the NHRS private equity portfolio and reviewed valuations and fund rankings by fund vintage year.

Mr. Keliuotis discussed the NHRS private credit portfolio and reviewed valuations and rankings by fund vintage year. He discussed the overall NHRS private credit strategy.

On a motion by Mr. Bickford, seconded by Ms. Keliher, the Committee unanimously voted to adjourn the meeting.

The meeting adjourned at 4:10 PM.