

New Jersey State Investment Council

September 30, 2020 Regular Meeting

Minutes of the Regular Meeting

Due to public health considerations related to COVID-19, this meeting was held remotely via conferencing on September 30, 2020.

Council Members in Attendance:

Deepak Raj, Chair

Adam Liebttag, Vice-Chair

Theodore Aronson

Wasseem Boraie

Thomas Bruno

Michael Cleary

Vaughn Crowe

Michael Greaney

James Hanson

Timothy McGuckin

Samir Pandiri

Eric Richard

Jerome St. John

Edward Yarusinsky

Roll Call and Meeting Notice

The Regular Meeting was called to order by Deepak Raj, Council Chair, at 10:07 a.m. Ernestine Jones-Booker, Council Secretary, performed roll call and reported that a quorum was present. Ms. Jones-Booker announced that notice of the Council's 2020 Regular Meeting schedule was posted on the website of the Division of Investment (Division); mailed to the Times of Trenton, the Star Ledger, the Bergen Record, and the Courier Post; and e-mailed to the Secretary of State on January 10, 2020. A copy of the notice was posted on the Division's website and is on file.

Minutes of July 22, 2020 Regular Meeting

Adam Liebttag, Council Vice Chair, made a motion to approve the minutes of the regular meeting held on July 22, 2020, with Eric Richard seconding the motion. All Council Members present voted in favor.

Wasseem Boraie joined the meeting after approval of the minutes.

Report from the State Treasurer

Assistant Treasurer Dini Ajmani discussed Fiscal Year 2020 revenues and the Fiscal Year 2021 budget, including contributions to the Pension Fund.

Election of Chair and Vice Chair

Timothy McGuckin reported that the Nominating Committee, consisting of himself, Mr. Richard and Michael Cleary, met and decided to nominate Mr. Raj to serve as Chair of the Council and Mr. Liebttag to serve as Vice Chair of the Council for the following year. There were no other nominations. Thomas Bruno made a motion to elect Mr. Raj as Chair and Mr.

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Liebttag as Vice Chair, which motion was seconded by Theodore Aronson. By a roll call vote, all members of the Council present voted in favor of the motion.

Appointment of Members to the Executive, Investment Policy, Audit and ESG Committees

Mr. Raj reappointed for another year each of the current members to the Executive Committee, the Investment Policy Committee, the Audit Committee and the ESG Committee. A list of the members of these committees is attached to these minutes as Exhibit A.

Director's Report/Updates

Director Corey Amon presented the Director's Report, discussing capital market trends, detailing pension fund performance for Fiscal Year 2020 and describing allocations to various asset classes for Fiscal Year 2021.

Private Markets Performance Review

Jared Speicher of the Division, along with Michelle Davidson of Aksia TorreyCove, provided an analysis of the performance of the Division's private equity and private credit portfolios. Kevin Higgins and Kathy Jassem of the Division, along with Sean Barber of Hamilton Lane, reviewed the performance of the real estate and real asset portfolios. Finally, Jessie Choi of the Division and Daniel Stern of Cliffwater presented a performance review of the Division's risk mitigation portfolio.

Report on Soft Dollar Expenditures

Gina Costello of the Division reported on the Division's soft dollar expenditures, under which a portion of commissions paid by the Division is utilized to pay for research and trading services.

Private Equity Co-Investment Discussion

Mr. Speicher provided an overview of co-investment opportunities for the private equity portfolio, describing different models for co-investment and the advantages of investing in co-investment funds managed by strategic partners. In response to questions from Council members, Mr. Speicher and Mr. Amon discussed performance, alignment of interest and deal flow.

Private Equity Investments

Separate Account with BlackRock

Jerome St. John recused himself from discussion of this investment and departed the meeting at this time.

Robert Colton of the Division presented a commitment of up to \$250 million in a separate account investment vehicle to be managed by BlackRock Private Equity Partners. Mr. Colton provided background on the investment management firm and the Division's investment rationale. He further described the fund's strategy and its key investment terms. Mr. Raj reported that the IPC had reviewed the investment and recommended presentation to the Council.

Separate Account with Neuberger Berman

Mr. Colton of the Division presented a new commitment of up to \$350 million in a separate account investment vehicle to be managed by Neuberger Berman. Mr. Colton provided background on the investment management firm and the

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Division's investment rationale. He further described the fund's strategy and its key investment terms. Mr. Raj reported that the IPC had reviewed the investment and recommended presentation to the Council.

Separate Account with Asia Alternatives

Ting Yang of the Division, along with Michelle Davidson of Aksia TorreyCove, presented an investment in a separate account investment vehicle to be managed by Asia Alternatives Management. The investment would be comprised of a new commitment of up to \$100 million, plus recycling of up to \$600 million in future distributions from the new fund and other funds managed by Asia Alternatives Management. Ms. Yang described the Division's investment rationale and discussed the vehicle's structure, strategy and key investment terms. Mr. Raj reported that the IPC had reviewed the investment and recommended presentation to the Council.

Public Comment

Greg Gorman and Jeff Tittel of NJ Sierra Club, and Barbara Pal of the DivestNJ Coalition, spoke about fossil fuel investments.

Adjournment

Mr. Bruno made a motion to adjourn the meeting, with Michael Greaney seconding the motion. All Council members present voted in favor of the motion. The meeting was adjourned at 12:52 p.m.

**New Jersey State Investment Council
Committee Assignments as of September 30, 2020**

Executive Committee

Ted Aronson
Vaughn Crowe
James Hanson
Adam Liebttag
Tim McGuckin
Deepak Raj

Investment Policy Committee

Ted Aronson
Vaughn Crowe
James Hanson
Adam Liebttag
Tim McGuckin
Deepak Raj

Audit Committee

Timothy McGuckin (Chair)
Michael Cleary
Michael Greaney
James Hanson
Adam Liebttag

ESG Committee

Deepak Raj
Thomas Bruno
Adam Liebttag
Eric Richard

Nominating Committee

Michael Cleary
Timothy McGuckin
Eric Richard