

**NOTE:** These minutes were approved and executed at the September 12, 2023 Independent Investment Committee meeting.

**Independent Investment Committee Meeting  
August 8, 2023  
Public Minutes**

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

*Committee Members:*

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

*Staff:*

- Jan Goodwin, *Executive Director (by video conference)*
- Raynald Leveque, *Chief Investment Officer*
- Gregory Richard, CFA, *Senior Investment Officer (by video conference)*
- Shana Biletch, CFP ®, *Investment Officer (by video conference)*
- Jesse Pasierb, *Investment Operations Analyst*
- Tim Crutchfield, *Deputy Director and Chief Legal Counsel (by video conference)*
- Heather Hoffacker, *Internal Auditor (by video conference)*
- John Laferriere, *Director of IT (by video conference)*
- Marty Karlon, *Director of Communications (by video conference)*
- Nancy Miller, *Director of Member Services (by video conference)*

*Guests:*

- Catherine Beard, *Senior Vice President, Callan LLC*
- Angel Haddad, *Senior Vice President, Callan LLC*
- Britt Murdoch, *Vice President, Callan LLC (by video conference)*
- Kevin Alexander, *Partner, Ares Management*
- Sonya Lee, *Partner, Ares Management (by video conference)*
- Ibrahim Majeed, *Managing Director, Ares Management*
- Ted Weld, *Managing Director, Ares Management (by video conference)*
- Jonathan Higley, *Client Portfolio Manager, IR+M*
- Allysen Mattison, CFA, *Principal, IR+M*
- Matt Walker, CFA, *Principal, IR+M*

Chair Kelliher called the meeting to order at 12:30 PM.

On a motion by Ms. Clinton, seconded by Mr. Provost, the Independent Investment Committee (Committee) unanimously approved the public minutes of the July 11, 2023, Committee meeting as presented.

Mr. Leveque reviewed investment returns through recent periods and referred to the Callan Monthly Review for periods ending June 30, 2023. He shared an update on holdings within the NHRS portfolio. He confirmed that all allocations are within their mandated range. Mr. Leveque updated the Committee on liquidity and Russian holdings and discussed the Work Plan. Staff is preparing the update to the NHRS strategic asset allocation, and the total plan review may be moved to a later date pending the acquisition of an analytics platform. Staff continue to work with external managers to review quarterly portfolio performance.

Next, Mr. Leveque and Ms. Beard provided an overview of Ares Management (Ares). They discussed the opportunity to invest in Ares Pathfinder Fund II and provided NHRS Investment Staff's recommendation. Following this, the Committee heard from representatives of Ares.

Mr. Ashton provided an overview of Ares and its organizational structure. He detailed Ares' investment philosophy and process. He discussed case studies of investments in prior Ares funds and closed by discussing Pathfinder II key terms. Mr. Alexander provided the Pathfinder II investment thesis and outlined past fund performance.

The Committee discussed the presentation made by Ares and the opportunity to invest in Pathfinder Fund II. On a motion by Ms. Clinton, seconded by Mr. Provost, the Committee unanimously voted to commit \$50 million to Ares Pathfinder II, subject to contract and legal review.

Next, Ms. Bilech provided an introduction and overview of Income Research and Management (IR+M). She detailed IR+M's past performance, holdings, and attribution.

Next, the IIC heard from representatives at Income Research + Management.

Mr. Higley provided an overview of IR+M and the firm's relationship with the System. He discussed IR+M's investment team and their investment philosophy and process. Ms. Mattison reviewed performance attribution for the strategy over various periods and closed with a discussion of the fund's current positioning and the team's investment and macroeconomic outlook. Mr. Walker provided commentary on the early 2023 banking crisis and the firm's outlook and perceived opportunities in the banking sector.

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

The meeting adjourned at 2:30 PM.