

MINUTES OF THE OCTOBER 22, 2024, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) conducted a virtual meeting on October 22, 2024. Participating were Committee Chair Kathryn (“Katie”) Hall, Committee Vice Chair Roger Ferguson, and Committee members Steve Case, Henry Ellenbogen, Risa J. Lavizzo-Mourey, Anna-Lena Kamenetzky, and Frank Raines. Joelle Kayden and Matt Kelly also participated in the meeting as prospective Committee members.

Also present by invitation of the Committee were Inspector General Nicole Angarella, Chief of Staff to the Secretary Greg Bettwy, Chief Investment Officer Amy Chen, Investment Director Jinwen Chen, Under Secretary for Finance and Administration and Chief Financial Officer Ron Cortez, Managing Director Ryan Dotson, Assistant General Counsel Danielle Fisher, Deputy Chief of Staff to the Regents Kate Forester, Managing Director Michael Giovenco, Chief Legal Officer Jennifer McIntyre, Deputy Secretary and Chief Operating Officer Meroë Park, Director of Investment Operations Allen Rumanyika, Managing Director Jeff Smith, and Counselor and Chief of Staff to the Regents Porter Wilkinson.

CALL TO ORDER

Committee Chair Katie Hall called the meeting to order at 12:00 p.m., welcomed all participating Committee members and staff, and reviewed the agenda.

APPROVAL OF THE COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the draft minutes of the June 12, 2024, Committee meeting were approved.

ANNUAL CHARTER REVIEW

The Committee reviewed and affirmed its Charter, per its mandate to annually review and assess the Charter and evaluate the Committee’s performance with respect to the requirements of the Charter. No modifications to the Charter were proposed.

PORTFOLIO REVIEW

Managing Director Ryan Dotson presented the portfolio review, highlighting the endowment’s performance against its primary benchmarks. Over the past year, the endowment trailed its benchmark due to declines in private equity and real estate. The endowment continues to demonstrate strong long-term performance by outperforming its benchmarks in the three, five, ten, and fifteen-year periods.

Mr. Dotson noted a strategic decision was made at a prior meeting to combine the developed and emerging markets portfolios into a single portfolio and to revise the policy benchmark to streamline management and reduce the significant overweight in emerging markets. The Committee emphasized the importance of ongoing evaluation and adjustment of strategies to align with market conditions.

MARKETABLE ALTERNATIVES REPORT

Managing Director Michael Giovenco provided an overview of the Marketable Alternatives (MA) portfolio. Future strategy includes more balanced manager sizing, capping exposure to higher-volatility strategies, and increasing diversification to ensure alignment with the overall investment goals.

PORTFOLIO IMPLEMENTATION

Managing Director Jeff Smith provided a detailed overview of the private investment commitment budget for 2025, reflecting a strategic approach to align commitments with investment opportunities and manager capabilities. The endowment is currently at its target allocation for private investments, with a strategy to maintain a balanced portfolio. Distributions have consistently exceeded contributions. The Committee voted to approve the 2025 commitment levels for private investments in private real assets, private equity, and venture capital.

OPERATIONS REVIEW

Director of Operations Allen Rumanyika discussed the technology and performance compliance review.

EXECUTIVE SESSION

The Committee moved into an executive session at approximately 1:58 p.m. to discuss confidential business matters.

ADJOURNMENT

With no other business to consider the meeting was adjourned at approximately 2:00 p.m.

Respectfully submitted,

Katie Hall, Chair