

MINUTES OF THE MARCH 27, 2024, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) conducted a meeting on Wednesday, March 27, 2024, at the National Museum of African American History and Culture in Washington, D.C. Participating were Committee Chair Kathryn (“Katie”) Hall, Committee Vice Chair Roger Ferguson*, and Committee members Steve Case, Anna-Lena Kamenetzky*, Risa J. Lavizzo-Mourey*, Jose Minaya, Franklin D. Raines*, and David Rubenstein.

Also present by invitation of the Committee were Chief of Staff to the Secretary Greg Bettwy, Chief Investment Officer Amy Chen, Investment Director Jinwen Chen, Executive Assistant Margaret Chen, Under Secretary for Finance and Administration and Chief Financial Officer Ron Cortez, Operations Analyst Marshall Davis, Managing Director Ryan Dotson, Assistant General Counsel Danielle Fisher, Managing Director Michael Giovenco, Senior Investment Analyst Cameron Helm, Chief Legal Officer Jennifer McIntyre, Deputy Secretary and Chief Operating Officer Meroë Park, Director of Investment Operations Allen Rumanyika, Managing Director Jeff Smith, and Investment Analyst Anji Zhao.

Gino Reina and Scott Freemon of SECOR Asset Management also participated in the meeting.

CALL TO ORDER

Committee Chair Katie Hall called the meeting to order at 9:35 a.m., welcomed all participating Committee members and staff, and reviewed the agenda. Ms. Hall recognized Regent Emeritus, David M. Rubenstein, and on behalf of the Committee, expressed their deep appreciation for his outstanding leadership and contributions to the Committee and the Board of Regents.

APPROVAL OF THE COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the draft minutes of the October 11, 2023, Committee meeting were approved.

ANNUAL PORTFOLIO REVIEW

Chief Investment Officer Amy Chen noted that this year marked 18 years of active management of the portfolio which has grown 4 times over the period. Ms. Chen reviewed the portfolio performance, manager attribution analysis and presented the liquidity overview showing that the endowment had ample liquidity to cover both the annual payout and manager commitments.

* Participated virtually

ANNUAL ASSET CLASS REVIEW

Managing Director Ryan Dotson provided an overview of six asset classes, the respective objective each asset class serves in the portfolio including strategies applied, the asset allocation and performance for each asset class, as well as proposed actions for 2024.

Mr. Dotson then reviewed proposed changes to the Long-Term Policy Portfolio and Policy Benchmarks to align with the portfolio changes and presented a snapshot of the venture capital portfolio's valuations.

ASSET ALLOCATION AND RISK REVIEW

SECOR Asset Management, LP presented the annual asset allocation and risk review providing an overview of the investment portfolio. Discussed the long-term policy expected returns and volatility, the forward-looking return assumptions used, optimized portfolio comparisons, and the long-term efficient frontier and concluded that the long-term policy was well positioned for a range of outcomes from a long-term perspective and the short-term scenario analysis supported its tactical positioning.

INVESTMENT COMMITTEE SURVEY AND RESOLUTIONS

Ms. Hall reviewed the results of the annual Investment Committee Asset Allocation and Risk Survey noting that members' responses were mostly in line with the current asset allocation. Each member then shared their perspective and rationale for their portfolio allocations.

The Committee approved the presented revisions to the Long-Term Policy Portfolio and Policy Benchmarks.

PORTFOLIO IMPLEMENTATION

Managing Director Jeff Smith presented the significant portfolio changes for the year ended December 31, 2023, and the proforma cash flow analysis, which shows projected cash for the following three quarters.

OPERATIONS REVIEW

Ms. Chen provided an update on operations highlighting the recently completed annual audit of the Smithsonian Institution.

EXECUTIVE SESSION AND ADJOURNMENT

The Committee moved into an executive session at approximately 11:45 a.m.

ADJOURNMENT

With no other business to consider the meeting was adjourned at approximately 12:40 p.m.

Respectfully submitted,

Katie Hall, Chair