

New Jersey State Investment Council January 31, 2024 Regular Meeting

Minutes of the Regular Meeting

This meeting was held remotely via videoconference on January 31, 2024.

Council Members in Attendance:

Deepak Raj, Chair

Adam Liebttag, Vice-Chair

Theodore Aronson

Thomas Bruno

Michael Cleary

Vaughn Crowe

Michael Greaney

James Hanson

Timothy McGuckin

Samir Pandiri

Eric Richard

Jerome St. John

Edward Yarusinsky

Wasseem Boraie and Leonard Carr were unable to attend.

Roll Call and Meeting Notice

The regular meeting was called to order by Deepak Raj, Chair of the State Investment Council (Council), at 11:40 a.m. Ernestine Jones-Booker, Council Secretary, performed roll call. Ms. Jones-Booker announced that notice of the regular meeting schedule for 2024 was posted on the public website of the Division of Investment (Division); mailed to the Star Ledger, the Bergen Record, Courier Post, and the Trenton Times; and e-mailed to the Secretary of State on December 12, 2023. A copy of the notice is on file at the Division.

Minutes for the Regular Meeting held October 25, 2023

Mr. Raj presented the minutes of the regular meeting held on October 25, 2023. Thomas Bruno made a motion to approve the minutes, with Theodore Aronson seconding the motion. On a roll call vote, all Council members present voting in favor of the motion.

State Investment Council Fiscal Year 2023 Annual Report

Shoaib Khan, Director of the Division, presented a draft of the State Investment Council Annual Report for Fiscal Year 2023. Michael Cleary made a motion to approve the report as presented, with Michael Greaney seconding the motion. A roll call vote was taken, with all Council members present voting in favor of the motion.

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Director's Report

Mr. Khan presented the Director's Report and updated the Council on recent alternative investment commitments that closed between October 20, 2023 and January 31, 2024. Further, Mr. Khan notified the Council of modifications to Cerberus Institutional Real Estate Partners IV, L.P.; HitecVisionVII, L.P.; and certain funds sponsored by Sculptor Capital Management.

Fiscal Year 2023 Proxy Voting Summary

Jeff Warshauer, the Division's Corporate Governance Officer, reported to the Council regarding the Division's proxy voting for fiscal year 2023 with respect to U.S. and non-U.S. corporations. Mr. Warshauer reviewed the Division's voting record and overall proxy voting trends.

Report on Northern Ireland

James Ochido of the Division presented the Division's annual report to the Governor and the Legislature with respect to U.S. corporations doing business in Northern Ireland and their adherence to the MacBride principles of nondiscrimination in employment.

Risk Mitigation Strategy Investments

Man NJ Solution

Jessie Choi of the Division presented an investment of up to \$300 million in Man NJ Solution, a fund-of-one core risk mitigation fund managed by Man Group. Ms. Choi described the fund manager's institutional infrastructure and investment team, and discussed the fund's economic terms and investment strategies. In response to a question from Mr. Cleary, Ms. Choi explained the difference between Class A and Class B investment strategies and fee structures.

Graham Diversifying Alpha – NJ RMS Solution

Jessie Choi of the Division presented an investment of up to \$300 million in Graham Diversifying Alpha – NJ RMS Solution, a fund-of-one core risk management fund managed by Graham Capital Management. Ms. Choi described the fund manager's institutional infrastructure and investment team, and discussed the fund's economic terms and investment strategies.

PIMCO Arculus Fund

Jessie Choi of the Division presented an investment of up to \$300 million in the PIMCO Arculus Fund, a fund-of-one core risk management fund managed by PIMCO Investment Management. Ms. Choi described the fund manager's resources and investment team, and discussed the fund's economic terms and investment strategies. In response to a question from Mr. Cleary, Ms. Choi explained the fund's proposed liquidity provisions.

Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Eric Richard departed the meeting at this time.

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Real Asset Investment

StepStone Real Assets SMA

Niraj Agarwal and Ryan Goodwin of the Division presented an investment of up to \$500 million in a separately managed account to be managed by the StepStone Group. Mr. Goodwin summarized the experience and track record of the management team, and gave an overview of the fund's investment strategies and key economic terms. In response to a question from Mr. Raj, Mr. Agarwal and Mr. Goodwin described the broad spectrum of potential infrastructure investments, including renewable energy and digital infrastructure investments.

Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investment and had recommended its presentation to the full Council.

Real Estate Investment

KSL Capital Partners Tactical Opportunities Fund II, L.P.

Kevin Higgins of the Division presented an investment of up to \$150 million into KSL Capital Partners Tactical Opportunities Fund II L.P., a fund that specializes in real estate-related real assets within the travel and leisure industries. Mr. Higgins described the investment team's experience and track record, and discussed the fund's economic terms and investment strategy. Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Private Equity Investments

PSG VI, L.P.

Robin Clifford of the Division presented an investment of up to \$100 million in PSG VI, L.P., a growth private equity fund managed by PSG Equity focused on growth-oriented, lower middle market software, data and technology-enabled service providers. Ms. Clifford and William Connors of the Division described the fund's investment strategy. Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Silver Lake Partners VII, L.P.

Mr. Raj recused from the discussion of Silver Lake Partners VII, L.P., and Adam Liebttag, Vice Chair of the Council, assumed duties as Chair.

Dana Johns of the Division presented an investment of up to \$100 million in Silver Lake Partners VII, L.P., a buyout private equity fund that will pursue large-scale investments in companies within the technology-enabled and related growth industries. Ms. Johns outlined the Division's investment thesis and described the fund's investment strategy. Mr. Liebttag reported that the IPC reviewed the

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Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Mr. Raj returned to the meeting at this time.

Tiger Iron Garden Fund, L.P.

Vaughn Crowe recused from the discussion of Tiger Iron Garden Fund, L.P.

Robert Colton of the Division presented an investment of up to \$250 million in Tiger Iron Garden Fund L.P., a customized fund-of-funds venture capital fund managed by Tiger Iron Capital. Mr. Colton and Ms. Johns described the fund's investment strategy and the qualifications of the investment team. Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Private Credit Investment

Blackstone Tactical Opportunities Fund – Fund A

Mr. Crowe and James Hanson recused from the discussion of Blackstone Tactical Opportunities Fund A.

Brad Johnson and Vitaly Smirnov of the Division presented the creation of an additional private credit sleeve within Blackstone Tactical Opportunities Fund – Fund A, financing the additional sleeve by reallocating up to \$414 million in existing unfunded commitments from other asset classes in Fund A. Mr. Smirnov described the fund's management team and investment strategy. In response to a question from Samir Pandiri, Mr. Johnson explained the source of funding the \$414 million in commitments. Mr. Raj reported that the IPC reviewed the Division's due diligence with respect to the investments and had recommended their presentation to the full Council.

Mr. Crowe and Mr. Hanson returned to the meeting at this time.

Public Comment

There were no speakers registered for open public comment.

Adjournment

Mr. Cleary made a motion to adjourn the meeting, with Mr. Bruno seconding the motion. On a roll call vote, all Council members present voted in favor of the motion. The meeting was adjourned at 1:31 p.m.