



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

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Chair, Members and Benefits Committee

Artemio R.A. Hernandez, Ph.D.
Treasurer
Chair, Investment Committee

Thomas H. San Agustin
Trustee

David N. Sanford
Trustee

George A. Santos
Trustee

**INVESTMENT COMMITTEE MEETING
DEFINED CONTRIBUTION PLAN**

Thursday, March 24, 2022
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting for the Defined Contribution Plan was called to order at 11:20 a.m. Thursday, March 24, 2022, in the Retirement Fund Conference Room. Investment Committee Chairman Artemio Hernandez officiated.

Board of Trustees Present:

Artemio R.A. Hernandez, Chairman (*Via Zoom*)

Thomas H. San Agustin, Member (*Via Zoom*)

David N. Sanford, Member (*Via Zoom*)

Staff Present:

Paula Blas, Director

Third Party Administrator Present:

Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower Retirement

Investment Consultant Present:

Cameron Systemans & Brittany Stewart, Mercer Investment Consulting, Inc. (*Via Zoom*)

II. ACTION ITEMS

1. February 17, 2022 Regular Investment Committee Meeting Minutes

Committee Member David Sanford, seconded by Committee Member Thomas San Agustin, moved to approve the Minutes of the February 17, 2022 Regular Investment Committee Meeting, subject to technical corrections. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. OLD BUSINESS

None

V. NEW BUSINESS

None

VI. INFORMATIONAL ITEMS

1. 5-Year Plan

A copy of the 5-Year Plan was provided to the Committee for review and informational purposes.

VII. OPEN DISCUSSION

1. DC Plan Quarterly Performance

Committee Chairman Hernandez stated that Cameron Systemans of Mercer Investment Consulting, Inc. provided an overview of the DC Plan's Investment Performance for the Quarter Ended December 31, 2021.

Recommendations:

a. Replacement of Dimensional Fund Advisors (DFA) Emerging Markets

Mr. Systemans stated that at the September 17, 2021 Board Meeting, Ninety One Emerging Markets Equity Fund was selected as the replacement fund for DFA, however, during the onboarding process, Ninety One's Administrator, SEI, and Empower Retirement were unable to reach an agreement on key terms resulting in Ninety One being unable to be implemented on the Plan. Mr. Systemans stated that Empower was requesting that in the event that SEI provide a late net asset value price or any information, that they would need to compensate Empower with unlimited liability, and that was given the uncertainty around what the potential fees were and SEI and Ninety One were uncomfortable taking on that risk. As a result, Mercer updated the manager search and provided two (2) managers for consideration.

Committee Chairman Hernandez stated that he is disappointed that Empower was not able to effectuate what the Board approved several months ago relative to replacing DFA Emerging Markets with Ninety One Emerging Markets Equity Fund based on Mercer's recommendation. Committee Chairman Hernandez stated that any future manager searches should account for the ability or inability of a specific manager to be able to transfer and/or receive assets from the Third Party Administrator so that

the Committee and the Board does not have to experience this issue again. Committee Chairman Hernandez requested a comparison of investment performance between DFA Emerging Markets and Ninety One Emerging Markets Equity Fund from the period October 2021 through December 2021, and January 2022 through March 2022. Committee Chairman Hernandez stated that the decision to not on-board Ninety One Emerging Markets Equity Fund was not an issue of the Board not timely making a decision, rather as a result of the inability of Empower to effectuate the Board-approved decision.

Committee Chairman Hernandez stated that Mercer is recommending to replace DFA Emerging Markets with RBC Global Asset Management (RBC Emerging Markets Equity Fund).

Committee Member Thomas San Agustin, seconded by Committee Member David Sanford, moved to approve for the Investment Committee to recommend to the Board of Trustees to accept Mercer Investment Consulting, Inc.'s recommendation to replace Dimensional Fund Advisors Emerging Markets with RBC Global Asset Management. Without objection, the motion passed.

VIII. CORRESPONDENCE

None

IX. ANNOUNCEMENTS

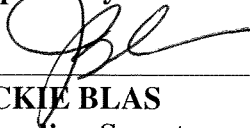
1. Next Due Diligence Meeting: June 16, 2022

Committee Chairman Hernandez stated that the next Due Diligence Meeting is scheduled for June 16, 2022.

X. ADJOURNMENT

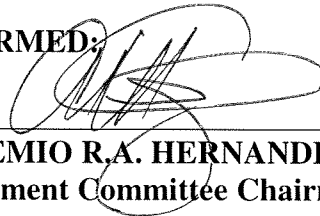
There being no further business before the Investment Committee, a motion was made by Committee Member Thomas San Agustin, seconded by Committee Member David Sanford, to adjourn the meeting at 11:43 a.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE BLAS
Recording Secretary

AFFIRMED:



ARTEMIO R.A. HERNANDEZ, Ph.D.
Investment Committee Chairman