Texas PSF Corporation

Board Meeting Recap
April 13, 2023

TEXAS PSF EST. 1845

SUMMARY

- The Texas PSF Corporation Board of Directors met Thursday, April 13, 2023, in-person at the William B. Travis Building.
- A recorded webcast of this and previous archived meetings can be viewed here: adminmonitor.com/tx/tea

NEXT BOARD MEETING

- The next regular board meeting is set for May 3, 2023. The meeting location and agenda will be posted to the Texas PSF Corporation website in advance. www.texaspsf.org

MEETING HIGHLIGHTS

ITEM: APPROVAL OF PROXY VOTING POLICY

Andrew Bunker, senior managing director of global public equities, presented the Proxy Voting Policy for its third reading, highlighting edits to enhance the fund's economic interest. The board reviewed the inclusion of an annual review of Proxy Advisors.

Board Action: A motion to approve the policy was made but failed with 2 votes in favor, 4 against, and 1 abstaining.

ITEM: REVIEW AND CONSIDERATION OF TEXAS PSF HOLDINGS, CONTRACTUAL AND OTHER MATTERS RELATED TO GOVERNMENT CODE CHAPTERS 808 AND 809.

PSF General Counsel John Wright informed the board of a new addition to the Chapter 809 Annex I list by the Texas Comptroller. The board reviewed the potential impact of divesting direct holdings under Chapters 808 and 809, with a staff recommendation to proceed.

Board Action: The motion to approve divestment carried without objection.

ITEM: FOURTH QUARTER 2022 PERFORMANCE

Mike Maher, vice president of BNY Mellon Global and Risk Solutions, reported on the PSF's performance, noting a 4.36% return net of fees for the quarter, outperforming benchmarks in various equity composites. However, some areas including Domestic Fixed Income and the Energy composite, underperformed.

Board Action: None taken, discussion only.

ITEM: REVIEW OF REAL RETURN ASSET CLASS

Katie Reissman, senior managing director of fixed income, discussed the strategy and performance of the real return asset class, while Bill Glenn, fixed income portfolio manager, presented on the TIPS portfolio.

Board Action: None taken, discussion only.

ITEM: REVIEW OF ABSOLUTE RETURN ASSET CLASS

Carlos Castro, director of global risk control strategies, introduced the team and discussed the asset class portfolio's role, goals, and performance.

Board Action: None taken, discussion only.

ITEM: BOARD COMMITTEES

Board Chair Tom Maynard introduced an overview of committee assignments, outlining responsibilities for Audit and Ethics, Budget and Compensation, and Strategic Planning and Policy.

Board Action: None taken, discussion only.