I. CALL TO ORDER

Chair Waihe‘e calls the Committee on Resource Management meeting for Tuesday, February 16, 2021 to order at 1:34 p.m.

Chair Waihe‘e notes for the record that PRESENT are:

<table>
<thead>
<tr>
<th>MEMBERS</th>
<th>AT CALL TO ORDER (1:34 p.m.)</th>
<th>TIME ARRIVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIR</td>
<td>JOHN WAIHE‘E, IV</td>
<td>PRESENT</td>
</tr>
<tr>
<td>VICE-CHAIR</td>
<td>LUANA ALAPA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>LEINA‘ALA AHU ISA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>DAN AHUNA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>KALEIHIKINA AKAKA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>KELI‘I AKINA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>BRENDON KALEI‘ĀINA LEE</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>KEOLA LINDSEY</td>
<td>PRESENT</td>
</tr>
</tbody>
</table>

At the Call to Order, EIGHT (8) Trustees are PRESENT, thereby constituting a quorum.

EXCUSED from the RM Meeting are:

<table>
<thead>
<tr>
<th>MEMBERS</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRUSTEE</td>
<td>CARMEN HULU LINDSEY</td>
</tr>
</tbody>
</table>
II. PUBLIC TESTIMONY on Items Listed on the Agenda*

None

III. APPROVAL OF MINUTES

A. January 26, 2021

Trustee Ahuna moves to approve the minutes of January 26, 2021.

Trustee Akaka seconds the motion.

Chair Waiheʻe asks if there is any discussion. There is none.

Chair Waiheʻe calls for a ROLL CALL VOTE.

<table>
<thead>
<tr>
<th>TRUSTEE</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>AʻOLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEINAʻALA</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHU ISA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHUNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KALEIHIKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKAKA</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KELIʻI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VICE-CHAIR LUANA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALAPA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRENDON KALEIʻAINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARMEN HULU</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KEOLA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHAIR JOHN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WAIHEʻE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1:36 p.m. TOTAL VOTE COUNT 8 0 0 1

MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waiheʻe notes for the record that all members present vote ‘AE (YES) and the MOTION CARRIES.

IV. UNFINISHED BUSINESS

None
V. NEW BUSINESS

A. PRESENTATION: Office of Hawaiian Affairs, Native Hawaiian Trust Fund, Preliminary
Analysis of Investment Performance, Period Ending December 31, 2020 Segal Marco
Advisors – John Marco, Senior Vice President and Craig Chaikin, CFA, Vice President

Chair Waihe’e turns it over to Ka Pou Nui Casey Brown.

Pou Nui Brown: Mahalo Chair Waihe’e. I’m going to turn it over to our CFO Ramona Hinck – she is our link to
the team that will be presenting on this matter.

CFO Hinck: Good Afternoon, Chair Waihe’e, Vice-Chair Alapa, Trustees and our Guests. My name is Ramona
Hinck and I’m the CFO. I will now, pass this to our Interim Investment Manager Ryan Lee, who will introduce
our guests. They will give an update on our investments, our Native Hawaiian Trust Fund.

Interim Investment Manager Lee: Aloha Everyone. As Mona mentioned, I'm going to introduce John Marco
and Craig Chaikin; they are our investment consultants for OHA.

John, Craig, can I pass it on to you?

We have up for discussion; performance on the Native Hawaiian Trust Fund and Market update. Also,
Performance Attribution over our policy; we can have a further discussion on that and Q&A for the trustees.

John Marco: Great, thank you. Aloha Trustees. Thank you all for the opportunity to present with you today.
As Ryan mentioned, my name is John Marco with Segal Marco Advisors. I see many familiar faces; it’s good to
see everyone again. We certainly look forward to getting past this coronavirus and being in-person again.

I'm going to review the market environment - what we saw in the calendar year 2020 in terms of the broad
markets in-the-whole, as well as what we've seen year-to-date.

Then I'm going to pass it off to Craig to review the performance - and talk about the Attribution. I ran this tool
that we utilize to give us the updated publicly available information on investor returns for the calendar year of
2020.

So, this is for the end of December - the year-to-date is the full calendar year. You'll see that the S&P 500
finished up 18.4%, the S&P 400, which is Mid Cap - up 13.7%, and Small Cap up 11.3%. So, positive double-
digit returns across the domestic U.S. equity markets. Large-outperformed-mid-outperformed-small; so large
led the way and that's not really a surprise given the state of the global pandemic and the economy as-a-whole.

The Big players: Facebook, Amazon, Netflix, Google - all the tech companies did quite well; gained market share
during this time.

Other areas of the market received significant fiscal support, particularly in the bond markets. You can see
across bonds year-to-date - the broad investment grade domestic bond market index; the U.S. aggregate was
up 7.5%. A very strong number for bonds; all based on interest rates falling due to the pandemic.

You can see black ink across the board, particularly when you get down into Corporate Credit in high yield. This
area specifically, received significant support following the initial onset of the coronavirus and the shutdown of
significant portions of our economy.

The last quarter of 2020 was extremely strong; most of those returns happened in November and December.
Early in November, we had the election. The markets themselves like certainty, so when you have a big question mark like the election, having that settled, really can allow investors to place their positions based on their expectations of the new agenda of the Administration.

Secondarily, in November we started to receive approval of the coronavirus vaccines, both here in the U.S. and in the U.K. Around the globe, we started to see significant market bounce back due to that. That is because the economic concerns that we have, cannot be solved until we solve the coronavirus crisis.

We have a significant disconnect between where the stock market is and where the economy is; the economy has slowed. Unemployment is high and we have many challenges facing us, not in terms of the economy.

However, the market due to the significant governmental support as well as recent good news and the expectation of continued economic support by the new administration has driven these numbers even higher.

Another significant thing to note; growth stocks - think tech stocks, for example. Growth stocks did significantly better than value stocks. That was true across Large, Mid, Small - International versus Domestic growth outperformed value significantly in the year. That was very pronounced.

Important to note in that big recovery in the last quarter that we saw - the S&P 500 was up 12%; that's a very strong number for a quarter. However, Mid Cap was more than double that and Small Cap was even greater than that. So, we saw reversal of that broad trend of Large Cap outperformance of Small, as well as Growth outperforming Value. Those trends reversed in the fourth quarter. Made up a little bit of the gap, but still finished in a significant difference.

This report is as of the last trading day before today, which is this past Friday (02/12/2021) as we had the long holiday weekend. Year-to-date, equities continue to run as I mentioned before - the expectations of mass distribution of vaccines, as well as significant fiscal support from the new administration.

The returns just for the month of February alone and this is just the first 12 days up 6% in the S&P 500, 8.8% for Mid Cap and 9.2% for Small Cap. So, significant returns and volatility that we've seen in the marketplace. Big numbers to finish the year, in terms of equities.

However, it's very important to keep an eye on how we deal with the coronavirus. Once we can get the virus under control, significant portions of our economy will be able to reopen. The longer that takes, the longer we're going to have permanent closures of those various businesses within those industries, and I'm looking mostly at leisure, hotel, and restaurant. Those places have been hit the hardest, and those are the ones we see going out of business in droves. So, the sooner we can solve this coronavirus issue, more of those companies will be saved and the stronger and quicker our economic recovery will be.

Currently, the markets are ahead of where the economy is at. The markets are up and soaring and we still have significant unemployment. We still have significant economic challenges. So, it remains to be seen if we can bring the economy back up to where the market currently is. With that, I'll pause for any comments or questions before moving on to Craig to give you updates on your specific performance.

Chair Waihe’e: Members are there any questions or comments?

There are none.

Chair Waihe’e: Thanks John, you can continue.

John Marco: I will turn it over to Craig Chaikin who will share his screen and walk you through performance.
Craig Chaikin:  Thank you John, hopefully this is large enough for everyone to see.  You can see here as of the end of the year, total OHA assets - $425.8 million.  I will point out, that approximately 18.5% of your portfolio is in Private Market Investments.  We are just now getting information for the third quarter, for those investments.

So, while we have updated them for Cash Flow Information and the like, we're still waiting on Final Capital Statements for all the Private Market stuff.  We'll talk through how that has impacted things over time, moving forward.

From an Asset Allocation perspective, you are in line.  (brief loss of sound)  The two that point out quickly here; you can see you're at 45, almost 46% in Global Equities, the target allocation is really 40% and similarly on that Fixed Income side the target allocation there is 17%; and you're at 14%.  That really has to do with market movements than anything else.

We've worked with Ryan a little bit since he came on board to rebalance slightly, but given how Equities have outperformed Fixed Income, it's continued to remain a slight overweight to targets.

On to performance - as I noted, this is performance through the end of 2020, so you can see here with this year-to-date number up 8.4% for the year.  As I noted, nearly 19% of the portfolios are in those Private Market Investments which we do not have updates on.  Given the strength and the magnitude of the strength in the fourth quarter, we would expect this to add quite significant value to final numbers when we do get those.  You do see a relatively significant trailing of the Policy Index; the benchmark as well as the benchmark with the quarter lagged to help account for the Private Equity.  You see that lag across most time periods, so I'll address that right now.  Most of that has to do with Private Equity, so the Private Equity mandates are broadly benchmarked against the MSCI ACWI (All Country World Index) plus 3%.  As John noted the MSC Equity Industries have done exceptionally well.  Very strong year last year, but when you look over even a three, five, and ten-year period - we've seen very (brief loss of sound) returns from that benchmark.

When you add that 3% bogey as well, it's been very, very challenging to outperform.  So, what we're looking at here is the roll up on a time-weighted basis of the Private Equity Investments.  You can see through here what the returns of the Public Market Equity Indices have looked like and then the subsequent returns overtime from the Private Market perspectives.  I will have you keep in mind that the time-weighted return numbers for the Private Markets are somewhat approximations.  We generally look at them in terms of multiples and internal rates of return - because the managers have charge of their cash flows.

This is really the reason why the portfolio has lagged over the near-term as well as over time because the way it's benchmarked in the policy index, that benchmark has just had really-candidly, exceptionally strong performance relative to what we've seen in in Private Market space.

The equity has been beneficial; the underlying investments if we go back and look through the manager list.  I'm not going to take a lot of time to do that.

Truthfully, the results there have been mixed and most of them have been kind of neutral in terms of what Asset Allocation and Manager Performance looks like.

Really, that biggest bogey in terms of performance against the benchmark has been that Private Equity mismatch.  I'm going to pause there and am happy to take any questions on that.

Chair Waihe‘e:  Members are there any questions or comments?  

There are none.
Chair Waihe’e: Ok Craig, you can continue.

John Marco: Craig, perhaps you can remind them about the structural relationship on who is managing the Private Assets Portfolio relative to all those many small positions.

Craig Chaikin: Yes, the set-up of the portfolio I would say - it’s relatively complex. You have JP Morgan as a CIO balanced manager that is managing it – all Public Equities. They have discretion inside of there to manage Public Equities.

You also have Commonfund who was initially hired to solely manage the Private Markets piece. They do manage a pretty significant chunk of the Private Market Assets.

In that mix as well, you also have Goldman Sachs who manages Assets, Pantheon, Highbridge and a couple others that you see down the list here.

As I mentioned, Commonfund manages across their portfolio purview - the bulk of the Private Market Assets with additional pieces filled in by those other couple of managers.

Trustee Ahuna: That means we have a lot of overlapping funds or several managers overlapping. Is that what's happening?

Craig Chaikin: So you have several managers there, all managing slightly different mandates. Certainly, they have different underlying companies. I would say this portfolio was built before we came on board and redoing Private Market Investments is somewhat challenging, but I think to some of the comments John has made at previous meetings, what the intent of all of the Managers and the whole Private Markets program is, is certainly up for evaluation and consideration.

Trustee Ahuna: Thank you, I agree.

John Marco: To your question Trustee Ahuna, on the page you can see here there are many small positions. You can see on the right-hand side at the top there, Pantheon Global Co. Investment opportunities is .2% of the total portfolio and as you run down there's so many listed here, but none of them individually will make an impact on your bottom line or your total return. Not to say that you should be concentrated in very short names. However, this is much more, broad diversification than we would recommend in terms of all these individual allocations.

Trustee Ahuna: Thank you. Does that mean we're going through a reevaluation of our funds or how are we looking at this right now? We're doing well, but I know we can make improvements.

Interim Investment Manager Lee: I'll address that, I've been working with Segal Marco; as well as reviewing the current portfolio investment structure. We're currently reviewing the investment policy, as well as doing a full Asset Allocation review which would include review of the Manager Structures.

Craig Chaikin: Thank you, that was going to conclude my comments on the performance. I know you all had a couple of additional questions that you'd like for us to address, and I was going to move on to those unless there’s anything else.

Chair Waihe’e: You can move on, Craig.
Craig Chaikin: We went out and took a fresh look at all the fees. It is something that we do look at and review regularly. This is all the Traditional Assets on this page and what you can see here is they vary from really nothing for the money market funds that you have at the banks and with Commonfund all the way up to that 125 basis points for the Tactical Opportunities Fund, given the complexities and underlying strategies there.

Certainly, looking across the board, looking at the different mandates, looking at some of the mix of active passive - none of the fees on the traditional side appears to be out of line with what you see in the markets.

I will add that you see a lot of JP Morgan funds. JP Morgan as they are managing their piece of the pie moves funds in-and-out at their discretion. There is no additional fee on top of what JP Morgan does outside of the Investment Management fees that they are receiving for these funds.

On the next slide, this is all the nonmarketable, all the Private Market stuff. You do see that one line highlighted there, we've requested data, and we're still in the process of confirming the final fee for that one Goldman Sachs piece.

What you do see here is that the fee structure is a lot more complicated. So, in that annual fee piece – quite like the expense on the Traditional Asset side, you just saw.

The advisory fee – that is the fee the Commonfund is charging on those specific set of assets for the work that they do in terms of underwriting and due diligence for those mandates. They also carried interest and preferred returns - so those are performance incentive fees for the underlying managers that they receive.

As an example, I'll try and highlight this - the Pantheon, the Europe Fund - you can see 5% carried interest - so if they return over 10%; they keep 5% of the difference essentially. It's an additional incentive for them to perform well on top of what those Management fees are.

I would say looking down the list here at those Annual fees; carried interest and preferred returns; nothing was obviously out-of-line or unusual.

Certainly, the Advisory fees on the Commonfund slate did look a little bit on the high side. I would say they are a little higher, but not necessarily abnormal when you consider a Private Equity fund-to-fund that might charge 2% in 20. So, they're under that 2% threshold.

John Marco: I agree with you Craig. They're known to be a little bit more expensive in the Private Equity side, but it's largely for that Advisory fee and that structure as-a-whole. So, a little bit high, but certainly not off the reservation or anything like that.

Craig Chaikin: Those were the comments I had on fees. I don't know if there are any questions on that or if you need any clarification.

Chair Waihe'e: Are there any questions members?

Vice-Chair Alapa: Hi, I am very new to all of this; I am the newly elected Trustee from Moloka‘i and Lāna‘i. Nice to meet you; John and Craig. I have a question regarding fees. Please explain Investment Accountant fees, the account fees that are charged retail rate and those that are charged institution rates and what is the difference in fees.
John Marco: It's my understanding that all the investments are in institutional share class investment. So for example, the JP Morgan Mutual funds that you see there listed towards the top. Those are all institutional great mutual fund, but I'm not aware of any retail share classes on this. I would also like to point out that we are not a broker. So, what often you'll see in the retail space are retail share classes that kickback a fee to the broker of record and that is not the case here. We do not accept any soft dollar fee. We're not a broker of record in any sense. We get paid a direct hard dollar fee for our work.

Craig Chaikin: I would add in-general; fees on institutional share classes are lower than what you find in the retail space. So, because of economies of scale, because you're able to put more money in and put more money to work, you subsequently get lower fees associated with that. Does that make sense?

Vice-Chair Alapa: Yeah, I'll be able to digest that. Sure, thank you.

CFO Hinck: John, Craig, how can we lower our fees?

John Marco: There are several ways to lower your fees.

I think the real end game is getting to the return you want meta-fees, right?

In making sure those fees are probable, but at the end of the day, the meta-fee is where you want to end up.

I'd say right now the big question that needs to be solved here is how does OHA want to structure and operate this fund going forward.

Currently, you have kind of a dual OCIO (Outsourced Chief Investment Officer) structure where you have traditional markets mostly under JP Morgan.

You have most of your private assets under the management of the OCIO structure of Commonfund and a few direct one-off unique investments.

We'll work closely with yourself and with Ryan to try to get to the bottom of what strategy is preferred going forward, because right now it seems to be that there's a few different parallel strategies going on at the same time.

Thankfully, they're not necessarily overlapping in their strategy and their investments, but it's not as streamlined as you could be.

Therefore, for example on this page that Craig has shown up here, you have JP Morgan running your OCIO program. They are allocating amongst their JP Morgan products, as they see fit.

- Is JP Morgan the best Large Cap Growth Manager?
- While at the same time being the best Small Cap Manager?
- While at the same time being the best International Emerging Markets Equity Manager?

I don't know that they're going to be the best in-class in every single one of those categories.

Instead of really focusing on the fee discussion, it's really about the structure, because OCIO structures - if you gave the keys to the car, the entire portfolio to JP Morgan, it would probably cost a little bit less than it does now.
Is that necessarily the most efficient way to invest in a broad, diversified way?

That's for the trustees to decide; whether-or-not you want to do a single OCIO strategy. Right now, there's a mix of approaches that I think are making it less efficient and therefore more expensive.

CFO Hinck: As our consultants, have you looked at everything, reviewed it, and have a plan?

John Marco: As we’ve discussed in the past, our role as consultant here has not been realized in the past and so we are more than happy to further engage. The big, overarching question needs to be answered –

As trustees, do you want to have more participation in the Investment Portfolio, choosing the Asset Allocation, choosing the Underlying Investments, vetting the Investment Managers, hearing presentations, and voting on what to invest in?

Or - do you want to continue with the OCIO structure?

I can help you pursue either one of those paths. Pursuing them at the same time is not my recommendation.

What you have now is not an efficient mix. I think that's a big choice that the trustees need to decide.

CFO Hinck: Do you think that we have a good, solid, long-term strategy in our portfolio?

John Marco: I think your long-term Asset Allocation targets are solid; they are geared to achieve your long-term goals. I think the mechanics of how we're approaching it could use some more efficiencies, like I said, but I think overall the Asset Allocation targets of your long-term strategy, of how much assets you put where - I think it's a valid and comfortable approach, so I don't think there's a big issue there.

The question is - Do you need all these sub conditions?

Particularly when you start getting on to pages 2 and 3 regarding this exhibit.

CFO Hinck: Thank you. We have a lot of work ahead of us.

Trustee Ahu Isa: Hi John, I'm looking at our State Retirement System, pension fund up 15% for the first half of the fiscal year. I know the market did good.

Can you give an approximation of what percentage of the first half of the fiscal year was OHA’s fund up?

John Marco: I'm not sure what the fiscal year is of that referenced plan.

Craig Chaikin: It’s up here; it was 13%.

Trustee Ahu Isa: Up 13%?

Craig Chaikin: Yes.

John Marco: If it's a June 30th fiscal year plan, then that time-period would match-up with the July 2020 to December 2020, if that's correct.

The problem with fiscal years is that each plan can have a different one and they don't always match-up. Particularly this year, given the first half of the year, was devastating during the first quarter. The fiscal year dates matter a lot.
Trustee Ahu Isa: It's July 1ST to June 30TH.

Craig Chaikin: So that's the number you see reflected here. Again, keep in mind almost 19% of the Assets are excluded from the performance update.

John Marco: Given what we saw in the second half of the year, we would expect when we get those returns in, they will be significantly additive through the total plan.

Trustee Ahu Isa: Thank you.

Trustee Ahuna: So, when we’re looking at individual investments, for me as an OHA Trustee - we would look more long-term. I don't understand if we have a way-of-going. I think our guidelines are showing us that we must have some type of long-term investment type of trust. Is that correct?

John Marco: You should absolutely be focused on the long-term. Having 20% in less Liquid Assets is a comfortable number because you have predictable cash flow needs for this fund. In terms of the benefit, paying out and whatnot.

In terms of that Asset Allocation strategy, that is your long-term kind of guidelines.

- How much money do you have in stocks?
- How much in bonds?
- How much in alternatives?

That really is your long-term strategic investment approach. You hired these Investment Managers either at the base-level, or at the OCIO-level to be tactical. So, they are the ones who are supposed to be making the tactical short-term needs. Yet you as trustees, the way I look at it is, you are looking at long-term strategy and so you hire folks to be tactical within their expertise, within their markets.

However, you are kind of driving the ship from a 10,000-foot view on how you allocate that. That strategy is driven by the Trustees and by the Asset Allocation targets. That's the long-term approach and we are comfortable with that current umbrella view of the world in that structure.

The question we have is - how do you want to get to that Asset Allocation?

Right now, you're doing it with a combination of approaches that has you very broadly diversified. A fund of your size could have 12 to 15 investments instead of; I'm not sure what the running tally is at on that page, but it's quite a few. So, it's a very diversified and broad exposure because of the approach.

Craig Chaikin: I will note quickly to move away from the current approach, the OCIO approach would require an amendment to the Investment Policy because it is outlined in the Investment Policy Statement right up front. That is how you have elected to employ Investment managers.

To John's point - it would need to be a Board decision in terms of how you want to approach implementation into the future.
John Marco: I wouldn't let that discourage you. I think that is a great point by Craig. That you know that Investment Policy Statement is - what we like to call a living document because you want to progress over time in your Asset Allocation, and your approach.

This would be a change to that overall approach from what you currently have. I have a client right now who is currently offloading from an OCIO structure to a Trustee-managed structure. Where instead of the OCIO making all the investment decisions; the Trustees are now selecting which Large Cap Manager to invest with, which Fixed Income Manager to invest with, which one aligns with their approach and their goal.

That is a multi-stage process because there's a lot of moving parts. You don't want to just exit JP Morgan, for example, with a large pool of cash and then figure out what you're going to do with it. You've really got to make some structural things to transition those Assets into, to make sure you maintain your broad exposures. It's a complex process, but it's certainly something that's doable. I'm working with the client to do that right now.

Trustee Lee: John, I don't know that that's the best example to use with us. I'm going to guess that that client and those Trustees have experience and a background in banking or finance or investment.

Are you shaking your head? No, they don't?

You have a client that has trustees with no experience or background in investment, making Asset Allocation decisions and Management decisions.

John Marco: Yes.

Trustee Lee: Wow, good luck to them.

John Marco: I would say a large portion of my clients have limited investment experience before becoming a Trustee. One of the hallmarks that we're known for is education. I have multiple educational presentations that I'd be happy to present to any or all the Trustees anytime.

Beginning with investing 101 all the way up to Hedge Funds, Infrastructure, and Real Asset Investments. We act as a fiduciary and in terms of our recommendations; we stand by our research. We advise clients on what we believe to be the best approach to investing. However, to your point, many trustees don't feel comfortable with that, and so they have chosen and elected which this board did when you decided to go with the OCIO structure and so back to what I was bringing up before; you could do either one.

Right now, you are kind of doing both. So, I think it would be more efficient to pick one and go with it.

I have another client who has JP Morgan as the OCIO and they're perfectly happy that they've got the entire portfolio; Private markets as well as Public markets. They have a bundled fee for the whole thing. It's capped and the client is perfectly happy with allowing them to make those investment decisions on behalf of the Board.

It's really based on each Board, and their comfortability and interest in participating in that level. Traditionally, OCIO was not the model and it's come on much more in the past 10 to 15 years.

CFO Hinck: I think this is maybe a discussion we should take to the RM leadership and discuss it between ourselves first. Find out everybody's risk factors or intentions and abilities and then we need to make that decision, on like John said, the OCIO or Trustee-directed Investments. I think we need to delve more into the details.
John Marco: I completely agree with that. I recommend this as a big-picture strategy structural-decision, and not something that we were recommending putting forth, so you decide today, but we do think prompting discussion is great.

Trustee Lee: Yeah, we couldn't make that decision today. It's not on the agenda.

Chair Waihe’e: OK, are there any other questions or discussion Members?

There are none.

Chair Waihe’e: Thank you John and Craig, that was excellent.

V. NEW BUSINESS


Chair Waihe’e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you Chair Waihee. I apologize Trustees for being late; I was in a hearing and passed the Joint Committee. This is an administrative update on our State Audits 1803 and 1808. We sent a memo last night providing an update and CFO Ramona Hinck, who is the coordinating body, will provide you a little bit more of the details. Then will discuss some next steps as to the information that you will receive before we do file the response to the State Auditor’s Office next week Tuesday.

CFO Hinck: Let me start with the 18-08 first; so, this is an Audit of the Office of Hawaiian Affairs Competitive Grants and Reports on the implementation of the 2013 Audit and it was published June 2018. The scope of the Audit was from November 2016 to June 2017. On August 30th, 2019, a letter was sent to Les Kondo, State Auditor from former Chair Machado and then interim CEO Sylvia Hussey informing them that all 11 recommendations were implemented on July 1st, 2019. That was mainly due to the application that we use to track and monitor our grants. So, that became fully functional in January of 2019.

Any questions on that State Audit?

CFO Hinck: The status of 18-03 is the Audit of the Office of Hawaiian Affairs was conducted pursuant to §10-14.55 which requires the auditors to conduct an audit of OHA every four years. This audit was published in February of 2018 and the scope was for fiscal years 2015 and 2016. There were 27 Board of Trustees recommendations and 12 Administration recommendations - a total of 39 recommendations.

Of the 39 recommendations - 21 have been implemented, 12 are partially implemented and 10 of them are due to revisions that need to be done at the T-Level policy plane. One is to standardize sponsorships under Grants, and one is for Strategic Granting, so those are all outstanding and partially implemented.

We formed the PIG (Permitted Interaction Group) Committees, so we should be able to move it forward. There were six non-implemented, not applicable responses, and they were all dealing with the CEO sponsorship. That pursuant to RM #18-12 amended the BOT Executive Policy Manual and the CEO no longer has authority to approve any scholarships, so that's why the n/a.
Are there any questions on 18-03?

CFO Hinck: OK, so we’re going to forward the Administration's responses for 18-03 and 18-08 once Administration has finalized 18-03. We're targeting tomorrow, February 17th, and at that time you can review the memo to the State Auditor as well as the responses. You will have time to ask questions and provide any suggested revisions until February 22nd.

On February 23rd, by 3:00 o'clock we are required to respond to these two audits to Les Kondo. Thereafter we anticipate field work from the State Auditors, which might include testing of the individual Grant Programs or individual award grantees on file. So, GRANTS is prepared to respond to the State Auditors.

The project supervisor has already reached out to me and I have a meeting with her tomorrow at 9:00 a.m. I'm not exactly sure - it must be just information gathering on her part.

Any questions on the update?

Chair Waiheʻe: Are there any comments or questions members?

There are none.

Chair Waiheʻe: OK, good job. Thank you.

V. NEW BUSINESS

C. ACTION ITEM RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi‘ilei Aloha LLC†

Chair Waiheʻe: For this item, I would like to put the motion on the table before we engage in discussion.

Trustee Lee moves to approve the following non-OHA employees as volunteer, uncompensated Managers for Hi‘ilei Aloha LLC, effective April 1, 2021, with the noted staggered terms of service:

A. Roberts “Bob” Leinau for a service period of three (3) years;
B. Greg C. Pietsch for a service period of two (2) years; and
C. Leilani Kūpahu-Marino Kahoʻāno for a service period of one (1) year.

Trustee Ahu Isa seconds the motion.

Trustee Lee: At this time, I wish to rise to speak in favor of the motion brought before the Resource Management Committee. At the last meeting of the Resource Management Committee, we had limited discussion. There wasn't great discussion, which kind of surprised me. Given at that time, we had, a free-and-open discussion to talk about this matter, before us now for decision-making. I speak highly in favor of us moving forward with approving this, since we didn't have very much discussion about or concerns about it at the last Resource Management Committee meeting. Thank you Mr. Chair.

Chair Waiheʻe: Thank you Trustee Lee.

Chair Waiheʻe asks if there is any further discussion. There is none.
Chair Waiheʻe calls for a ROLL CALL VOTE.

<table>
<thead>
<tr>
<th>TRUSTEE</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>A‘OLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEINA‘ALA</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHU ISA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHUNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KALEIHIKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKAKA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KELI‘I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VICE-CHAIR LUANA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALAPA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRENDON KALEI‘ĀINA</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARMEN HULU</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EXCUSED</td>
</tr>
<tr>
<td>LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KEOLA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHAIR JOHN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WAIHEʻE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL VOTE COUNT</td>
<td>8</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waiheʻe notes for the record that all members present vote ‘AE (YES) and the MOTION CARRIES.

VI. ANNOUNCEMENTS

None
VII. ADJOURNMENT

Trustee Ahuna moves to adjourn the RM meeting.

Trustee Keola Lindsey seconds the motion.

Chair Waiheʻe asks if there is any discussion. There is none.

Chair Waiheʻe asks if any members vote NO or ABSTAIN. There are no dissenting votes.

<table>
<thead>
<tr>
<th>TRUSTEE</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>A’OLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEINAʻALALAH LEINAʻALA</td>
<td>1</td>
<td>2</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHUNA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KALEIHIKINAH KALEIHKINA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKAKA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KELIʻI</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKINA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VICE-CHAIR LUANA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALAPA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRENDON KALEIʻAINABRENDON KALEIʻAINA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEE</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARMEN HULUCARMEN HULU</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EXCUSED</td>
</tr>
<tr>
<td>LINDSEYLINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KEOLA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINDSEYLINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHAIR JOHN</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WAIHEʻEWAIHEʻE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL VOTE COUNT</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waiheʻe adjourns the RM meeting at 2:26 p.m.
Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Committee on Resource Management (RM) on March 23, 2021.

Trustee John Waiheʻe, IV
Chair
Committee on Resource Management