

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
Minutes of the Investment Committee Meeting  
Tuesday, August 19, 2025

TRUSTEES PRESENT

Mr. Christian Fern, Chairperson (via video conference, excused  
at 10:17 a.m.)

Mr. Robert Yu, Vice Chairperson

Ms. Jacqueline Ferguson-Miyamoto

Mr. Wesley Machida (via video conference)

Ms. Sabrina Nasir (via video conference)

Ms. Maureen Wakuzawa

Mr. Ryan Yamane (via video conference, excused  
at 10:38 a.m.)

TRUSTEES ABSENT

Mr. James Wataru

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator

Mr. David Okamoto, Chief Investment Officer

Mr. Brett Tatsuno, Investment Officer

Mr. Justin Isobe

Mr. Joao Marco Maffini

Ms. Desiree Yamauchi

CONSULTANTS (via video conference, unless otherwise noted)

Mr. Colin Bebee, Meketa Investment Group (in person) Mr. Pete Keliuotis, Callan (in person)

Mr. Constantine Braswell, Callan (in person)

Mr. Michael Pellatz, Meketa Investment Group (in person)

Mr. Daniel Brown Callan

Mr. Aaron Quach, Callan

Mr. Francis Griffin, Callan

Mr. Ethan Samson, Meketa Investment Group (in person)

OTHERS PRESENT (via video conference)

Ms. Jessica Benson, Verdegard

Mr. Joe Ebisa, WithIntelligence

I. CALL TO ORDER

The meeting of the Investment Committee was called to order at 9:00 a.m. by Trustee Christian Fern, Chairperson, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, City Financial Tower, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, August 19, 2025.

II. REVIEW OF MINUTES – MAY 19, 2025

The Investment Committee reviewed the draft minutes of May 19, 2025. Since there were no edits or objections by the Trustees, the minutes stand approved.

III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:02 a.m. (Ferguson-Miyamoto/Yu) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Chair Fern was excused from the meeting at 10:17 a.m., during Executive Session, and Vice Chair Robert Yu assumed the role of chairperson.

The regular meeting reconvened at 10:23 a.m.

Vice Chairperson Yu reported that the following occurred during Executive Session:

- Approved a recommendation to the Board to commit funds to a private credit fund, subject to contract negotiations.
- Approved a recommendation to the Board to commit funds to a private equity fund, subject to contract negotiations.

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- Discussed a private equity co-investment and manager update.
- Reviewed and discussed the May 19, 2025 Executive Session Minutes. Since there were no edits or objections, the minutes stand approved.

### IV. NEW BUSINESS

#### A. Quarterly Performance Report – Q2 2025

Mr. Colin Bebee of Meketa Investment Group (Meketa) highlighted significant points in the Q2 Performance Report. The OPEB Trust finished the quarter at \$9.0 billion, gaining 3.6% (net of fees), outperforming the policy benchmark which returned 2.2%. Since inception (June 23, 2011), the portfolio has returned 7.3% (net of fees) and is exceeding the actuarial return target of 7%. The EUTF Trust Fund finished the quarter at \$543.8 million, up 1.9% for the quarter (net of fees). Since inception (October 1, 2013), the portfolio has returned 3.8% (net of fees).

Meketa also recommended placing AlphaSimplex on Watch status due to underperformance relative to peers and benchmarks. Over the trailing one-year period, AlphaSimplex returned -29.5%, compared to -25.7% for the policy benchmark and -6.3% for EUTF's other trend following manager, Mount Lucas.

Trustee Yamane was excused from the meeting at 10:38 a.m., during Meketa's presentation.

MOTION was made and seconded to recommend to the Board placing AlphaSimplex on Watch status effective July 1, 2025 for performance reasons. (Machida/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

#### B. Quarterly Private Credit Report and Annual Portfolio Review – Q1 2025

Mr. Pete Keliuotis of Callan highlighted significant points in the first-quarter 2025 Private Credit performance report and annual asset class review. At the end of the quarter, Private Credit reported a market value of \$769.5 million (9.0 % of the total portfolio), with a since inception return of 10.0% (net of fees), outperforming the asset class benchmark of 9.3 %.

#### C. Quarterly Private Equity Report – Q1 2025

This report was included for informational purposes and was not discussed at the meeting.

#### D. Quarterly Private Real Assets Report – Q1 2025

This report was included for informational purposes and was not discussed at the meeting.

#### E. Benchmark Update

Mr. Bebee presented a memorandum recommending an update to the benchmark for the systematic trend-following asset class, currently managed by AlphaSimplex and Mount Lucas. Meketa recommended maintaining the Credit Suisse Managed Futures (15% Volatility) Index through June 30, 2025, after which the benchmark will transition to the Societe Generale (SG) Trend Index, which offers greater transparency, industry adoption, and closer alignment with EUTF's managers.

MOTION was made and seconded to recommend to the Board a change of the Trend Following benchmark from the Credit Suisse Managed Futures (15% Volatility) Index to the Societe Generale (SG) Trend Index effective July 1, 2025. (Ferguson-Miyamoto/Machida) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

#### F. Investment Policy Statement Revisions

Mr. David Okamoto presented a memorandum recommending updates to the EUTF Investment Policy Statement. Key changes include granting EUTF staff authority to rebalance across all

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managers, including open-ended private market managers, to maintain diversification and implement pacing plans; delegating authority to initiate legal review after Investment Committee approval when necessary to help meet closing deadlines; and updating benchmarks to reflect renamed indices, new strategies, and recently approved mandates.

MOTION was made and seconded to recommend to the Board approval of the Updated Investment Policy Statement. (Ferguson-Miyamoto/Wakuzawa) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

### V. FUTURE AGENDA ITEMS DISCUSSION AND POSSIBLE MEETING DATES

Mr. David Okamoto reported that Investment Committee meetings are scheduled for November 18, 2025 and December 9, 2025.

### VI. ADJOURNMENT

MOTION was made and seconded for the Investment Committee to adjourn the meeting at 11:16 a.m. (Ferguson-Miyamoto/Wakuzawa) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

APPROVED on November 18, 2025.

#### Documents Distributed:

1. Draft Board Minutes of May 19, 2025. (3 pages)
2. EUTF Q2 2025 Quarterly Report, prepared by Meketa, dated August 19, 2025. (108 pages)
3. EUTF 1Q 2025 Private Credit Portfolio Review, prepared by Callan, dated August 19, 2025. (29 pages)
4. EUTF Private Equity Q1 2025 Quarterly Report, prepared by Meketa, dated August 18, 2025. (17 pages)
5. EUTF Real Assets 1Q 2025 Quarterly Performance Review, prepared by Callan, dated August 19, 2025. (26 pages)
6. Memorandum to EUTF from Meketa Investment Group, Inc., regarding Trend Following Benchmark Change Recommendation, dated August 19, 2025. (3 pages)
7. Memorandum to Investment Committee from EUTF Chief Investment Officer, regarding Investment Policy Statement Revisions, dated August 19, 2025. (2 pages)
8. EUTF, Investment Policy Statement, dated August 2025, Draft Version. (53 pages)