

AGENDA ITEM SUMMARY

NAME OF ITEM: Emerging Market Manager Recommendation

INITIATED BY: Kelly A. Martin, Chair

BOARD INFORMATION:

BOARD ACTION: X

BOARD POLICY:

Section 709 - Investments

UNIFIED ACCREDITATION CONNECTION:

Supports central management and oversight of the University of Maine System's (UMS) investments.

BACKGROUND:

Kelly Regan and Matt Landen of NEPC will provide an update on the Managed Investment Pool and Pension Fund's Emerging Market Equity allocations and will recommend manager and asset allocation changes. Multiple Emerging Market Equity manager options will be presented for the Investment Committee's review with the goal of selecting one option.

TEXT OF PROPOSED RESOLUTION:

That the Board of Trustees, acting through the Investment Committee, approves the following manager recommendations.

Managed Investment Pool

1. Terminate Mondrian Emerging Markets Small Cap and replace with Acadian Emerging Markets Fossil Fuel Free for approximately 3% of total Portfolio assets.
2. Use the residual proceeds to rebalance the Equity portfolio consistent with the asset allocation targets.

Pension Fund

1. Terminate Mondrian Emerging Markets Small Cap and use the proceeds to diversify the Global Equity allocation.
2. Trim the allocation to Walter Scott Global Equity Fund down to approximately 11% of total Portfolio assets
3. Hire Lindsell Train Global Equity and Impax Leaders for approximately 11% each of the total Portfolio assets