The August 8th, 2018 OIC meeting was called to order at 9:00 am by John Russell, OIC Vice Chair. Mr. Russell officially introduced Mr. Kevin Olineck who recently succeeded Steve Rodeman as the Executive Director of PERS. Mr. Olineck has enjoyed a distinguished career in the Canadian pension fund industry, most recently serving as Vice President of Member Services at the British Columbia Pension Corporation in Victoria B.C.

I. 9:00am Review and Approval of Minutes
MOTION: Vice Chair Russell moved approval of the June 6th, 2018 OIC regular meeting minutes. Member Kim moved motion, Treasurer Read noted a spelling error on page two of Ms. Anna Totdahl’s name, then seconded the motion which then passed by a 3/0 vote.

II. 9:05am Committee Reports and CIO Update
Committee Reports: Mr. Skjervem gave an update on the following committee actions taken since the June 6th, 2018 OIC meeting:

**Private Equity Committee**

<table>
<thead>
<tr>
<th>Date</th>
<th>Fund</th>
<th>Investment</th>
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<tbody>
<tr>
<td>July 23, 2018</td>
<td>GGV Capital VII</td>
<td>$60M</td>
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<tr>
<td></td>
<td>GGV Capital VII Plus</td>
<td>$15M</td>
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<tr>
<td></td>
<td>GGV Discovery II</td>
<td>$25M</td>
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</tbody>
</table>
Alternatives Portfolio Committee

None

Opportunity Portfolio Committee

None

Real Estate Committee

July 27, 2018
Harrison Street Core Property Fund
$150M

In accordance with Section 6, OST Staff Authority, of INV 501: Acquiring and Managing Equity Real Estate, staff approved a $50 million recap to Lionstone Oregon Real Estate One, LP (separate account).

Mr. Skjervem then provided opening remarks which included an introduction of Larry Fink, Co-Founder, Chairman and CEO, Blackrock, Inc., a summary of staff’s proposed Private Equity recommendation, the Opportunity Portfolio Review, and a Corporate Governance update. Mr. Skjervem also introduced a group of newly hired OST employees, including Lisa Pettinati, Deputy General Counsel, Joe Hutchinson, Investment Accountant, Kristel Flores, Executive Support Specialist, Robin Kaukonen, Investment Officer, Public Equity, Chris Ebersole, Investment Officer, Real Estate, Steve Kruth, Compliance Manager, Justin Southard, Help Desk Analyst, and Geoff Nolan, Senior Investment Officer, Fixed Income.

III. 9:59 am Global Markets Overview

Larry Fink, Co-Founder, Chairman and CEO, Blackrock, Inc. provided the Council with an overview of global capital markets. He also spoke about his firm’s efforts to improve retirement security.

IV. 10:38 am Vista Equity Partners VII, L.P. – OPERF Private Equity Portfolio

Michael Langdon, Senior Investment Officer, Private Equity, recommended approval of an up to $500 million capital commitment to Vista Equity Partners Fund VII, L.P. (“VEPF VII” or “Fund VII”) as part of the OPERF private equity portfolio. Approval of the proposed commitment would continue OPERF’s existing relationship with Vista Equity Partners Management, a relationship that dates back to 2007 and includes $1.2 billion of aggregate capital commitments across six previous partnerships.

Mr. Langdon then introduced Robert F. Smith, Founder, Chairman and CEO, Vista Equity Partners, who provided the Council with a presentation on his firm, its investment strategy and historical performance record.

MOTION: Treasurer Read moved approval of staff’s recommendation, and Mr. Russell seconded the motion which then passed by a 3/0 vote.

V. 11:37 am Opportunity Portfolio Review – OPERF Opportunity Portfolio

John Hershey, Director of Alternative Investments delivered an update on and 2017 review of the OPERF Opportunity Portfolio. Mr. Hershey’s remarks included a summary of past and current investment strategy as well as a select review of portfolio mandates.
VI. 12:15 pm Corporate Governance Update – Annual Report
Jennifer Peet, Corporate Governance Director, provided an overview of proxy votes cast on behalf of the state of Oregon during the 2018 proxy season as well as commentary on current corporate governance trends.

Ms. Peet then introduced Kern McPherson, Senior Director, North American Proxy Research, Glass Lewis who provided the Council with his firm’s 2018 "Mid-Season Review" which included, among other items, an OIC voting summary, shareholder proposal highlights, and comments on executive compensation.

VII. 12:17 pm Asset Allocation & NAV Updates
Mr. Skjervem reviewed asset allocations and NAVs across OST-managed accounts for the period ended June 30, 2018.

VIII. 12:17 pm Calendar — Future Agenda Items
A calendar listing of future OIC meetings and scheduled agenda topics was included in the Council’s meeting material.

IX. 12:17 pm Open Discussion
None

12:18 pm Public Comments

1. Douglas Berg, a private citizen from Eugene, OR, spoke in favor of maximizing OPERF investment returns which he deemed imperative relative to the state’s large, unfunded PERS liability.

2. Michelle Perez, Tina Sturmer and Elizabeth Marin, former Toys “R” Us & Babies “R” Us employees, shared their personal stories as examples of the financial hardship they and many other former employees have suffered since losing their jobs due to the company’s bankruptcy and wholesale store closures. Mses. Perez, Sturmer and Marin urged the Council to encourage all the company’s owners to contribute to the Toys “R” Us Family Fund as KKR and Bain Capital had done.

Mr. Russell adjourned the meeting at 12:31 pm.

Respectfully submitted,

May Fanning
Executive Support Specialist