

March 2021 Investment Committee Meeting Summary

Endowment Performance Update

- **Fiscal year 2020 performance (ending 6/30/20) for the Endowment was 7.3%, firmly in the top quartile of peer returns (top decile of NACUBO data) significantly ahead of our strategic implementation indices to end at FY20 at \$1.022 billion.** Since COVID-19 hit in Q1 2020 marking the shortest and steepest bear market on record, markets have rebounded sharply on the back of unprecedented fiscal and monetary stimulus and our managers have also produced material alpha.
- Since the end of the fiscal year, performance has continued to be exceptionally strong driving true endowment value up an **estimated +24.3% in FY21 to an estimated \$1.27 billion as of February 28th 2021 (\$1.32 billion including planned gifts)**
- Longer term returns for the endowment remain strong, with our three, five, and ten year returns all in the top quartile of peer returns

Global Equity Review

- Hamilton remains overweight its strategic target to global equity with a 12/31/2020 year-end weight of 40.1% versus a target of 35%. The portfolio performed exceptionally well on an absolute and relative basis in 2020, gaining +30.1% and outperforming the MSCI ACWI benchmark handily which ended up +16.3%
- The underlying domestic, developed international, emerging markets and special situations equity portfolios each contributed to returns on an absolute and relative basis, and every one of those portfolios is now outperforming its benchmark materially over all trailing time periods.
- The endowment's China bias helped drive outperformance in the emerging markets bucket, our growth orientation and tech exposure helped drive outperformance in domestic equity bucket, and our Biotechnology and life sciences exposure and positions with crossover funds helped drive our special situations bucket.
- Over the course of 2020, Hamilton proactively rotated exposure within equities as well as adding to the endowments overall exposure. Within Global Equities, manager turnover and portfolio management added +11.6% to performance vs. how our static 12/31/19 portfolio would have performed during the year
- We remain overweight global equities, although to a much lesser degree (40.1% vs. 35.0% target) and will fund Private Equity from Public Equity in the coming years.
- Within Equities, Hamilton remains convicted in its overweight exposures to China, Technology, Biotechnology & Life Sciences, and Small versus Large Cap, and Growth versus Value
- The committee had a productive discussion around the Endowments growth and technology bias as it relates to the direction of interest rates in the short to medium term – and whether this dynamic warrants tactical or strategic shifts in the portfolio to position for higher rates / higher inflation or just assets that will perform better as they rise.

FYTD 21 Performance 2/28/21			Benchmark Name
	Hamilton Endowment	Implementation Benchmark	
Global Equity	36.8%	26.3%	MSCI ACWI
Private Equity	17.6%	11.4%	Cambridge PE/VC
Real Assets	4.5%	15.9%	NCREIF/Commodity
Absolute Return	10.2%	17.3%	HFRI Fund Weighted
Special Situations	28.2%	21.8%	50% HFRI / 50% ACWI
Cash	0.0%	0.0%	Short Treasury Index
	24.3%	20.4%	Implementation Index

True Endowment Value = \$1.267 billion Internally Managed Funds: \$1.252 billion

Asset Allocation 2/28/21			
	Hamilton Endowment	Strategic Target	Over/Under
Global Equity	41.5%	35.0%	6.5%
Private Equity	17.1%	20.0%	-2.9%
Special Situations	17.6%	15.0%	2.6%
Absolute Return	16.8%	20.0%	-3.2%
Real Assets	4.4%	5.0%	-0.6%
Cash	2.6%	5.0%	-2.4%

CY20 Performance 12/31/20			
	Hamilton Endowment	Implementation Benchmark	Benchmark Name
Global Equity	30.1%	16.3%	MSCI ACWI
Private Equity	20.8%	12.2%	Cambridge PE/VC
Real Assets	-11.3%	-0.2%	NCREIF/Commodity
Absolute Return	21.9%	11.8%	HFRI Fund Weighted
Special Situations	36.1%	14.3%	50% HFRI / 50% ACWI
Cash	1.6%	0.9%	Short Treasury Index
	24.6%	13.1%	Implementation Index

True Endowment Value = \$1.266 billion

Internally Managed Funds: \$1.244 billion