

**MINUTES OF THE
EMERGING MANAGER COMMITTEE**

Thursday October 1, 2020 – 9:25 A.M.
Remote Board Meeting
Per Public Act 101-0640

Present:

<u>Committee Members</u>	Committee Chairwoman Gisela Attlan Treasurer Michael W. Frerichs Senator Robert Martwick Comptroller Susana Mendoza Jaye Williams
<u>Board Members</u>	Terrence Healy Elizabeth Sanders Chairwoman Justice Mary Seminara- Schostok Michael Tarnoff
<u>Staff</u>	Mary Cahill Johara Farhadieh Jansen Hein Maryann Hong Dipesh Mehta Alex Somolski Atul Talwar
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Illinois State Comptroller's Office Andrew Ranck Illinois State Treasurer's Office Rodrigo Garcia Allen Mayer <u>BlackRock Financial Management, Inc.</u> Andrea Picard Brigit Boykin Steven Feldman Peter Leigh Dan Veiner Paul Whitehead

Members of the Public

Doug Scofield
Matt McCue, Financial News

ROLL CALL

Committee Chairwoman Attlan called the meeting to order at 9:34 a.m. Ms. Hong noted per the recently passed Public Act 101-0640 and the ongoing COVID-19 public health emergency, it was not prudent to conduct the ISBI Board meetings in person. As such, the ISBI October Emerging Manager Committee meeting would be conducted by virtual means. Ms. Hong also stated for the record that ISBI's General Counsel was physically present at the office. Mr. Mehta called the roll and noted a quorum was present for the Emerging Manager Committee.

APPOINTMENT OF STANDING COMMITTEE

Pursuant to the Board Bylaws, Board Chairwoman Schostok appointed the following members to the Emerging Manager Committee: Trustee Attlan as Chair, Trustee Frerichs, Trustee Williams, Trustee Martwick, and Trustee Mendoza.

REPORT OF THE EMERGING MANAGER COMMITTEE CHAIRMAN

None.

CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES

Committee Chairwoman Attlan moved to approve the meeting minutes from the June 25, 2020 meeting of the Emerging Manager Committee. Trustee Martwick seconded, and the motion was called to a roll call vote. All in favor: Committee Chairwoman Attlan, Trustee Frerichs, Trustee Martwick, Trustee Mendoza. The motion passed unanimously.

DIVERSITY POLICY IMPLEMENTATION REVIEW

Ms. Farhadieh directed Trustees to the presentation materials, dated as of June 30, 2020. Ms. Farhadieh gave an overview of ISBI's Diversity Policy implementation. Committee Chairwoman Attlan praised Ms. Farhadieh and the ISBI team for all of their efforts related to increasing diversity.

PRESENTATION BY BLACKROCK FINANCIAL MANAGEMENT, INC.

BlackRock members joined the meeting and directed Trustees to the presentation materials. Ms. Boykin introduced herself and gave an overview of BlackRock's initiatives and goals surrounding diversity. Trustee Attlan asked Ms. Boykin to elaborate on BlackRock's specific goals, and Ms. Boykin discussed BlackRock's goals for minority representation and leadership within BlackRock. Trustee Williams and Trustee Mendoza inquired about what specific strategies BlackRock would be implementing to achieve their goals surrounding minority leadership and representation, including how they would identify benchmarks and monitor progress, and Ms. Boykin explained BlackRock's strategy. Ms. Picard noted that BlackRock will continue discussions with ISBI.

Ms. Picard directed Trustees to the Emerging Broker Program part of their presentation. Ms. Picard explained the program and BlackRock's goals dedicated to minority, women, and disabled-veteran owned broker-dealers to help them become more competitive in the marketplace. Mr. Leigh described BlackRock's specific engagement strategy with emerging brokers. Mr. Veiner described BlackRock's Emerging Program with specific focus on Fixed Income, and Mr. Whitehead described the program specific to Equity. Trustee Attlan thanked BlackRock representatives for their presentation and specifically speaking to their goals and accountability.

UPDATE ON ISBI'S STAFF DIVERSITY COMMITTEE

Update Regarding Midwest Investors Diversity Initiative (MIDI)

Ms. Hong described ISBI's involvement with the MIDI, a coalition of institutional investors dedicated to increasing racial, ethnic, and gender diversity on corporate boards of companies, led by the Treasurer's Office. Ms. Hong stated that ISBI intends to co-sign one of MIDI's upcoming outreach efforts; a letter to Russell 300 companies seeking disclosure on racial and ethnic board diversity.

NEW / OLD BUSINESS

None.

PUBLIC COMMENT

Mr. Scofield addressed the Board with a presentation about fossil fuel divestment and increasing investment in sustainable energy portfolios. Committee Chairwoman Attlan thanked Mr. Scofield for his comments.

NEXT MEETING AND ADJOURNMENT

Committee Chairwoman Attlan noted that the next meeting was tentatively scheduled for December 8-9, 2020, and Committee Members will be notified of the time at a later date. At 10:48 A.M., there being no further business to come before the Committee, Trustee Mendoza moved to adjourn the meeting. Trustee Frerichs seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/
Chief Investment Officer