

**MINUTES OF THE
EMERGING MANAGER COMMITTEE**

Friday, March 22, 2024 – 9:20 A.M.
180 N. LaSalle St., Suite 2015
Chicago, IL 60601

Present:	<u>Committee Members</u>	Treasurer Michael Frerichs Senator Robert Martwick (via audio conference) Justice Debra Walker
	<u>Board Members</u>	Board Chairman Terrence Healy Elizabeth Sanders
	<u>Staff</u>	Genette Bacon-Cordova Mary Cahill Michelle Choi Jennifer Koelle Kawing Lee Samantha McHugh Dipesh Mehta David Schneider Dan Sekera Atul Talwar
	<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman State Employees' Retirement System Tim Blair (via audio conference)
Not Present:	<u>Committee Members</u>	Matthew Brewer Comptroller Susana Mendoza

ROLL CALL

Board Chairman Healy called the meeting to order at 9:21 a.m. at the Illinois State Board of Investment office, 180 N. LaSalle St., Suite 2015, Chicago. Pursuant to the Board Bylaws, Board Chairman Healy appointed Trustee Walker as a member of the Emerging Manager Committee. Mr. Mehta called the roll and noted a quorum was not present. Board Chairman Healy stated that pursuant to the Board Bylaws and for the purposes of establishing a quorum, he would be serving as a member of the Emerging Manager Committee for this meeting. Mr. Mehta then noted a quorum was present.

Trustee Walker moved that Trustee Martwick be allowed to participate in the meeting via audio conference pursuant to Section 7(a) of the Open Meetings Act. Trustee Frerichs seconded, and the motion passed unanimously.

CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES

Trustee Frerichs moved to approve the minutes from the December 15, 2023 meeting of the Emerging Manager Committee. Trustee Martwick seconded, and the motion passed unanimously, with Justice Walker abstaining.

DIVERSITY POLICY IMPLEMENTATION REVIEW

Ms. Cahill directed trustees to the presentation materials, dated as of December 31, 2023. Ms. Cahill gave an overview of ISBI's Diversity Policy implementation, highlighting utilization in relation to the Board's approved goals as outlined in the Diversity Policy. Ms. Cahill highlighted a new element to the presentation covering managers which previously qualified as minority- or woman-owned. Trustee Frerichs inquired further into one of these managers, and Mr. Mehta provided the requested information. Board Chairman Healy asked a question regarding certain managers' utilization of minority-owned broker/dealers, and Ms. Cahill and Mr. Mehta provided additional information. Ms. Cahill asked if there were any additional questions and there were none.

UPDATE ON ISBI'S STAFF DIVERSITY COMMITTEE

Ms. Cahill informed the Board that ISBI has split its Staff Diversity Committee into two separate subcommittees, one to continue focusing on diversity issues and the other to focus on sustainability issues. Ms. Cahill indicated that the restructuring will allow more team members from across all departments to participate in the work of the committees. Ms. Cahill also stated that the split will allow both committees to focus on their respective issues at a more detailed level. Ms. Cahill concluded by outlining the membership and core responsibilities of each committee. Trustee Healy inquired in the Diversity Committee's work to source new minority- and women-owned vendors. Mr. Mehta provided additional information on ISBI's approach to

sourcing new vendors. Ms. Cahill asked if there were any additional questions and there were none.

PROXY VOTING DISCUSSION

Ms. Cahill gave a brief overview of ISBI's proxy voting policy and procedures. Ms. Cahill also discussed ISBI's relationship with its proxy voting service provider, reiterating ISBI staff's belief that the current service provider and policy remain the best choice and fulfill ISBI's fiduciary duty to its beneficiaries. Trustee Frerichs asked several questions regarding the role of ISBI's service provider in executing proxy votes, and regarding a recent report covering certain proxy votes by public pension plans. Discussion ensued among trustees. ISBI staff and fiduciary counsel provided additional information where needed. Following the discussion, Ms. Cahill asked if there were any additional questions and there were none.

NEW BUSINESS/OLD BUSINESS

None.

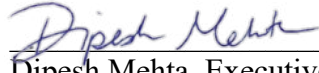
PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURMENT

Board Chairman Healy noted that the next meeting was tentatively scheduled for June 27, 2024. At 9:47 a.m., there being no further business to come before the committee, Trustee Frerichs moved to adjourn the meeting. Trustee Walker seconded, and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in blue ink that reads "Dipesh Mehta". The signature is written in a cursive style with a horizontal line underneath it.

Dipesh Mehta, Executive Director/Chief
Investment Officer