

MINUTES OF THE
ILLINOIS STATE BOARD OF INVESTMENT

Friday, December 19, 2025 – 9:00 A.M.
160 N. LaSalle St., Room N502
Chicago, IL 60601

Present:

Board Members

Chairman Terrence Healy
Matthew Brewer
Treasurer Michael Frerichs
Senator Robert Martwick
Justice Debra Walker

Staff

Genette Bacon-Cordova
Caroline Brolly
Mary Cahill
Patrick Hall
Aayush Jakhete
Jennifer Koelle
Jeremy Mayeur
Samantha McHugh
Dipesh Mehta
Scott Richards
David Schneider
Atul Talwar
Renee Westfield

Guests

Burke Burns & Pinelli, Ltd.
Sarah Boeckman

RVK, Inc.
Eric Painting
Tony Johnson
Stephen Budinsky
Josh Kevan

Members of the Public

Illinois Divest
Antiwar Committee Chicago
US Palestinian Community Network
Jewish Voice for Peace
Chicago Alliance Against Racism and
Political Repression

Dan Goldwin

Ben Gould

Not Present: Board Members

Comptroller Susana Mendoza
Elizabeth Sanders

ROLL CALL

Chairman Healy called the meeting to order at 10:02 a.m. at 160 N. LaSalle St., Room N502, Chicago. Mr. Hall called the roll and noted a quorum was present.

PUBLIC COMMENT

Chairman Healy noted that he would increase the time allotted for public comment by one minute to a total of twenty-one minutes in order to allow seven speakers three minutes each.

Dan Goldwin from the Jewish United Fund expressed gratitude to the Illinois Treasurer, Illinois Comptroller, and ISBI for investing in Israeli bonds. Chairman Healy stated that ISBI does not invest in Israeli bonds.

Caeli Kean from Antiwar Committee Chicago called on ISBI to divest public funds from corporations with ties to Israel and ICE.

Ben Gould from the Simon Wiesenthal Center thanked the Illinois Treasurer for investing in Israeli bonds.

Tulsi from the Chicago Alliance Against Racism and Political Repression demanded that ISBI and Illinois Treasurer Frerichs divest from Israel and companies with ties to Israel.

River from Students for a Democratic Society at the University of Illinois Chicago asked ISBI to divest from companies with ties to Israel.

Elinor called for divestment from companies with ties to Israel.

Noura Ebrahim asked for a dialogue with ISBI about divesting from Israel. Ms. Ebrahim provided a packet with research to share with the trustees.

Members of Illinois Divest then disrupted the meeting and prevented the Board from continuing the meeting until they were removed by the Illinois State Police.

CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES

Trustee Martwick moved to approve the minutes from the September 22, 2025 Board meeting. Trustee Walker seconded, and the motion passed unanimously.

Trustee Walker moved to approve and keep closed the Executive Session minutes, as presented, from the September 22, 2025 Board meeting, pursuant to the recommendation of Fiduciary Counsel. Trustee Martwick seconded, and the motion passed unanimously.

Trustee Frerichs moved that the Executive Session Minutes recommended by Fiduciary Counsel be opened to the public pursuant to Section 2.06(d) of the Open Meetings Act and that the verbatim records presented by Fiduciary Counsel be discarded pursuant to Section 2.06(c) of the Open Meetings Act. Trustee Martwick seconded, and the motion passed unanimously, with Trustee Walker abstaining.

UPDATE ON FISCAL YEAR 2025 AUDIT

Mr. Schneider provided the update, stating that RSM was nearing the conclusion of the financial audit. Mr. Schneider informed trustees that ISBI had submitted initial documentation for the compliance audit which was on schedule to conclude in January. Mr. Schneider asked if there were any questions, and there were none.

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS (6/30/25)

Mr. Schneider referred trustees to the Financial Statements from June 30, 2025. Mr. Schneider reviewed the statements and discussed each category in detail, noting that costs were in line with expectations and assets under management had grown. Mr. Schneider asked if there were any questions, and there were none.

Trustee Walker moved that the Financial Statements from June 30, 2025 be approved consistent with the recommendation of ISBI staff. Trustee Martwick seconded, and the motion passed unanimously.

CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS (JULY, AUGUST, SEPTEMBER 2025)

Mr. Schneider referred trustees to the Record of Vouchers paid in July, August, and September of 2025. Mr. Schneider asked if there were any questions, and there were none.

Trustee Walker moved that the Record of Vouchers be approved and accepted for filing as presented and recommended by ISBI staff. Trustee Martwick seconded, and the motion passed unanimously.

ACTUAL VS. PROJECTED BUDGET FORECAST AS OF SEPTEMBER 30, 2025

Mr. Schneider referred trustees to the Actual vs. Projected Budget Forecast as of September 30, 2025 in the meeting materials. Mr. Schneider stated that ISBI's expenses remain below budget in all major categories. Trustee Walker commended ISBI staff for staying under budget. Mr.

Schneider thanked the accounting team for their hard work. Mr. Schneider asked if there were any questions, and there were none.

ETHICS MATTERS

Consideration and Approval of Agent Contact Report

Mr. Hall directed trustees to the Agent Contact Report for the second quarter of Fiscal Year 2026. Trustee Walker moved that the Agent Contact Report, as presented, be approved and accepted for filing, as recommended by ISBI staff. Trustee Martwick seconded, and the motion passed unanimously.

Consideration and Approval of Fiduciary Training Opportunities

Mr. Hall referred trustees to the December 2025 list of Upcoming Training Opportunities, previously provided, and noted that travel expenses are reimbursable if approved in advance, consistent with the requirements of the Illinois Pension Code and ISBI's policies. Trustee Walker moved that the conferences and trainings listed on the December 2025 list of Upcoming Training Opportunities, as presented, be approved pursuant to Section 1-150 of the Illinois Pension Code and that all resulting allowable expenses be reimbursed, consistent with ISBI's policies. Trustee Martwick seconded, and the motion passed unanimously.

DEFERRED COMPENSATION PLAN CONSULTANT REPORT – RVK, INC.

Deferred Compensation Performance Review as of September 30, 2025

Mr. Johnson referred trustees to the presentation materials and gave a capital markets review. Mr. Budinsky reviewed Plan statistics including participant balances, demographics, and loan information. Chairman Healy inquired about one of the statistics, and Mr. Budinsky shared additional information. Chairman Healy congratulated Trustee Martwick for his instrumental role in helping state employees plan for retirement. Mr. Budinsky then discussed asset allocation and performance. Mr. Budinsky concluded by noting that fees continue to be reasonable and competitive. Mr. Budinsky asked if there were any questions, and there were none.

Stable Value Fund Review

Mr. Painting directed trustees to the presentation materials and provided a review of the Plan's stable return fund investment option, noting that RVK did not recommend any action as a result of the review. Mr. Painting discussed stable value market trends, provided an evaluation of Invesco's stable value program, and detailed the stable return fund's performance. Mr. Painting

then provided an industry comparison and discussed alternative capital preservation options. Mr. Painting asked if there were any questions, and there were none.

PRESENTATION BY RECORDKEEPER – EMPOWER

Ms. Smith introduced herself and Ms. Brown and directed trustees to the presentation materials. Ms. Brown reviewed Empower’s webinar series and attendance data. Ms. Smith shared Plan statistics including account registration, website or app engagement, and contribution rate. Trustee Walker and Chairman Healy asked about account registration and email communication, and Ms. Smith provided additional detail. Ms. Brown previewed the webinar series for the upcoming year. Trustee Martwick commented on messaging to the younger population and discussion ensued with Ms. Brown. Ms. Smith asked if there were any additional questions, and there were none.

REPORT BY GENERAL CONSULTANT – RVK, INC.

Defined Benefit Performance Review as of September 30, 2025

Mr. Kevan thanked trustees for selecting RVK as the Defined Benefit Plan consultant, directed trustees to the presentation materials, and reviewed the Defined Benefit Plan’s performance as of September 30, 2025. Mr. Kevan discussed asset allocation, total fund performance, and the global equity composite. Mr. Johnson then reviewed the fixed income and real assets composite. Chairman Healy commented about data centers, and Mr. Johnson and Mr. Mehta provided further insights. Chairman Healy asked if there were any questions and there were none.

REPORTS BY INVESTMENT TEAM

At 11:33 a.m., Chairman Healy moved that the Board go into Executive Session pursuant to Section 2 (c)(7) of the Open Meetings Act to discuss specific investments and investment contracts. Trustee Brewer seconded, and the motion was put to a roll call vote. All in favor: Chairman Healy, Trustee Brewer, Trustee Frerichs, Trustee Martwick, and Trustee Walker. The motion passed unanimously.

At 11:38 a.m., Trustee Martwick moved that the Board return to the open meeting. Trustee Walker seconded, and the motion was put to a roll call vote. All in favor: Chairman Healy, Trustee Brewer, Trustee Frerichs, Trustee Martwick, and Trustee Walker. The motion passed unanimously.

Trustee Walker moved that the Board approve the Strategic Partner pacing for the first half of calendar year 2026, consistent with the recommendation of ISBI Staff. Trustee Martwick seconded, and the motion passed unanimously.

ELECTION OF OFFICERS/CHAIRPERSON

Chairman Healy began by congratulating trustees and staff on recent birthdays, commending Mr. Mehta on being named an Elite 100 CIO by Markets Group, and thanking Ms. Cahill and Ms. Koelle for five years of service to ISBI.

Consistent with the requirements of the Board Bylaws, Trustee Martwick nominated Board Chairman Healy to continue as Chairperson of the Board, effective at the conclusion of the December 2025 meeting for a two-year period. Trustee Walker seconded. There were no additional nominations. The motion passed unanimously.

Consistent with the requirements of the Board Bylaws, Trustee Walker nominated Trustee Frerichs to continue as Vice Chair of the Board, effective at the conclusion of the December 2025 meeting for a two-year period. Trustee Martwick seconded. There were no additional nominations. The motion passed unanimously.

Consistent with the requirements of the Board Bylaws, Trustee Brewer nominated Trustee Walker to continue as Recording Secretary of the Board, effective at the conclusion of the December 2025 meeting for a two-year period. Trustee Martwick seconded. There were no additional nominations. The motion passed unanimously.

Consistent with the requirements of the Board Bylaws, Trustee Walker nominated Trustee Mendoza to continue as Member at Large of the Board, effective at the conclusion of the December 2025 meeting for a two-year period. Trustee Martwick seconded. There were no additional nominations. The motion passed unanimously.

Consideration and Approval of Revised 2026 Schedule of Meetings

Trustee Walker moved that the revised 2026 Schedule of Meetings be approved as presented. Trustee Martwick seconded, and the motion passed unanimously.

Appointment of Standing Committees

Consistent with ISBI's Bylaws, Board Chairman Healy made the following appointments of standing committees:

To the Audit & Compliance Committee: Justice Walker, Comptroller Mendoza, and Trustee Sanders.

To the Emerging Manager Committee: Trustee Brewer, Treasurer Frerichs, Senator Martwick, Comptroller Mendoza, and Justice Walker.

To the Defined Contribution Committee: Senator Martwick, Trustee Brewer, Treasurer Frerichs, Comptroller Mendoza, and Trustee Sanders.

To the Investment Policy Committee: Trustee Sanders, Trustee Brewer, and Justice Walker.

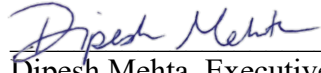
NEW BUSINESS/OLD BUSINESS

Mr. Mehta thanked ISBI staff for their coordination to organize the meeting. Chairman Healy thanked ISBI staff for their work throughout the year and wished everyone happy holidays.

NEXT MEETING AND ADJOURNMENT

Chairman Healy noted that the next meeting was tentatively scheduled for March 20, 2026. At 11:45 a.m., there being no further business to come before the Board, Trustee Walker moved to adjourn the meeting. Trustee Martwick seconded, and the meeting was adjourned.

Respectfully submitted,



Dipesh Mehta, Executive Director/Chief
Investment Officer