

**STATE INVESTMENT BOARD
INVESTMENT COMMITTEE MEETING
MINUTES OF THE
OCTOBER 17, 2024, MEETING**

MEMBERS PRESENT: Thomas Beadle, State Treasurer, Chair
Joseph Heringer, Trust Lands Commissioner, Vice Chair
Scott Anderson, Chief Investment Officer
Eric Chin, Deputy Chief Investment Officer
Pete Jahner, External Representative
Dr. Prodosh Simlai, External Representative

STAFF PRESENT: Derek Dukart, Senior Investment Analyst
Jennifer Ferderer, Fiscal Investment Admin
Chirag Gandhi, Portfolio Manager
Rachel Kmetz, Fiscal & Investment Operations Manager
Robbie Morey, Investment Accountant
George Moss, Portfolio Manager
Janilyn Murtha, Executive Director
Matt Posch, Portfolio Manager
Emmalee Riegler, Procurement/Records Mgmt. Coordinator
Michael Schmitcke, Senior Investment Accountant
Ryan Skor, Chief Financial Officer/Chief Operating Officer
Nitin Vaidya, Chief Risk Officer
Jason Yu, Risk Analyst
Lance Zietlow, Portfolio Manager

GUESTS: Members of the public

CALL TO ORDER

Treasurer Beadle called the State Investment Board (SIB) Investment Committee (IC) meeting to order at 10:30 a.m. on Thursday, October 17, 2024. The meeting was held virtually.

The following members were present representing a quorum: Mr. Anderson, Treasurer Beadle, Mr. Chin, Commissioner Heringer, Mr. Jahner, and Dr. Simlai.

AGENDA

The agenda was considered for the October 17, 2024, meeting.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY MR. CHIN AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE OCTOBER 17, 2024, MEETING AS DISTRIBUTED.

AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, DR. SIMLAI, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

MINUTES

The minutes were considered for the September 13, 2024, and September 16, 2024, meetings.

IT WAS MOVED BY DR. SIMLAI AND SECONDED BY MR. JAHNER AND CARRIED BY A VOICE VOTE TO APPROVE THE MINUTES FOR THE SEPTEMBER 13, 2024, AND SEPTEMBER 16, 2024, MEETINGS AS DISTRIBUTED.

AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, DR. SIMLAI, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

MANAGER RECOMMENDATION

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2, 44-04-18.4 (2)(A) AND N.D.C.C. 44-04-18.4(2)(D) TO REVIEW AND DISCUSS CONFIDENTIAL COMMERCIAL INFORMATION AND TRADE SECRETS.

AYES: COMMISSIONER HERINGER, MR. ANDERSON, DR. SIMLAI, MR. CHIN, MR. JAHNER, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

The executive session began at 10:34 a.m. and ended at 11:55 a.m. The session was attended by Committee members, Mr. Dukart, Ms. Ferderer, Mr. Gandhi, Ms. Kmetz, Mr. Moss, Ms. Murtha, Mr. Posch, Mr. Skor, Mr. Vaidya, Mr. Yu, and Mr. Zietlow.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE STAFF RECOMMENDATION TO ADJUST THE PRIVATE MARKET MANAGERS PENDING LEGAL REVIEW AND DIRECT STAFF TO REPORT BACK AT A FUTURE COMMITTEE MEETING.

AYES: DR. SIMLAI, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, MR. ANDERSON, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

IT WAS MOVED BY DR. SIMLAI AND SECONDED BY MR. JAHNER AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE STAFF RECOMMENDATION TO ADJUST THE PUBLIC MARKET MANAGERS PENDING LEGAL REVIEW AND DIRECT STAFF TO REPORT BACK AT A FUTURE COMMITTEE MEETING.

AYES: MR. ANDERSON, MR. JAHNER, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

MANAGER UPDATE

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2, 44-04-18.4 (2)(A) AND N.D.C.C. 44-04-18.4(2)(D) TO REVIEW AND DISCUSS CONFIDENTIAL COMMERCIAL INFORMATION AND TRADE SECRETS.

AYES: MR. JAHNER, MR. CHIN, MR. ANDERSON, DR. SIMLAI, COMMISSIONER HERINGER, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

The executive session began at 11:59 a.m. and ended at 12:11 p.m. The session was attended by Committee members, Mr. Dukart, Ms. Ferderer, Mr. Gandhi, Ms. Kmetz, Mr. Moss, Ms. Murtha, Mr. Posch, Mr. Skor, Mr. Vaidya, Mr. Yu, and Mr. Zietlow.

IT WAS MOVED BY DR. SIMLAI AND SECONDED BY COMMISSIONER HERINGER AND CARRIED BY A ROLL CALL VOTE APPROVE STAFF MOVING FORWARD WITH THE RECOMMENDED PORTFOLIO CHANGES TO THE FIXED INCOME MANAGER.

AYES: MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, MR. ANDERSON, DR. SIMLAI AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

STRATEGY REVIEW

Mr. Chin provided a public markets performance and strategy update, highlighting equity markets nationally and internationally, drivers of equities, inflation the past five years, performance of equity managers, and reviewed small cap portfolios. Mr. Posch presented the fixed income markets and manager performance. Finally, Mr. Posch provided an Equity 2.0 update, noting the onboarding of Two Sigma and two transition managers. Committee discussion followed.

OPENING MARKETS ARRANGEMENTS

Mr. Chin provided an update on the effort to enable separately managed accounts for global managers requesting approval of retaining external legal counsel to assist with enabling international transactions in separately managed accounts.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. SIMLAI AND CARRIED BY A ROLL CALL VOTE APPROVE STAFF RETAINING EXTERNAL COUNSEL TO FACILITATE OPENING INTERNATIONAL MARKETS.

AYES: COMMISSIONER HERINGER, MR. ANDERSON, DR. SIMLAI, MR. CHIN, MR. JAHNER, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

ADJOURNMENT

With no further business to come before the Investment Committee, Treasurer Beadle adjourned the meeting at 12:48 p.m.

Prepared by:

Jennifer Ferderer, Assistant to the Board