

**THE CORPORATE GOVERNANCE AND  
SECURITIES LITIGATION COMMITTEE OF THE  
BOARD OF TRUSTEES**

**MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

**MINUTES OF MEETING**

**November 16, 2021**

The Corporate Governance Committee for the Maryland State Retirement and Pension System convened, in-person and via videoconference call with the host site at the SunTrust Building, 120 East Baltimore Street, 16th Floor, Board Room, Baltimore, Maryland, beginning at 9:24 a.m.

Committee Members  
Attending:

David Hamilton  
Douglas Prouty  
David Brinkley

Nancy K. Kopp

Also Attending:

Thomas Brandt  
Robert Burd  
Rachel Cohen (OAG)  
Mimi Forbes  
Alex Harisiadis (OAG)  
Martin Noven

Andrew Palmer  
Jody Shaw (OAG)  
Emily Spiering (OAG)  
Toni Voglino

Mr. Prouty called the meeting to order at 9:24 a.m.

**Action Item #1: Minutes**

On a motion made by Ms. Kopp, and seconded by Mr. Prouty, the open session minutes from the September 21, 2021 meeting were ratified by the Committee.

**Action Item #2: Update and Review of Iran-Sudan Divestment**

The Committee considered staff's recommendation to temporarily remove Gazprom and its 3 related subsidiaries ("Gazprom") from the Restricted List. Ms. Voglino informed the Committee that staff recommended the temporary removal of Gazprom from the Iran and Sudan Restricted List to allow staff to seek more information on Gazprom's business activities in Iran.

Ms. Voglino explained to the Committee that in 2019, MSCI indicated that Gazprom had oil related activities in Iran. As a result of this report, the Agency sent an engagement letter to Gazprom. We believe that we did not get a response. However, MSCI recently provided us with

a letter that was sent to Dean Kenderdine in 2019 in response to our engagement letter. Staff has no record of receiving this letter.

Ms. Voglino informed the Committee that Gazprom has an active pipeline that transports oil from Iran to Armenia. The temporary removal of Gazprom will allow staff to seek more information on the pipeline to determine if Gazprom should be on the Restricted List. Ms. Voglino also noted that we have never had to divest from Gazprom only restrict from future investments.

Ms. Kopp moved to accept staff's recommended Iran and Sudan Restricted List, and Mr. Hamilton seconded the motion.

There was further discussion on the issue. Per the board's request, Ms. Voglino reported on her informal query of several pension funds across the country as to their Iran and Sudan divestment matters. Ms. Voglino found that most of the plans have difficulty getting responses from companies. The larger plans, such as CalPERS, CalSTRS and New York Common received responses about 50% of the time, and the smaller plans received even less of a response.

In discussion with the pension funds, Ms. Voglino found the opinion was that the Iran and Sudan divestment plans do not have much of an impact and, most plans have discontinued the Sudan divestment policy as Sudan is no longer considered a State Sponsor of Terrorism per the U.S. Department of State. Ms. Voglino noted that the Maryland law has different conditions for Sudan divestment and that the requirements have not been met in order to seek amendment to the Sudan divestment statute.

Ms. Kopp asked why all the pension plans (such as MSRPS, CalPERS and New York Common) wouldn't act in concert thus making a stronger request. Mr. Brandt responded that based on his experience over the course of his career, he would not respond to a divestment letter as it had little impact.

There being no further discussion the Committee unanimously approved the motion recommendation to temporarily remove Gazprom from the Restricted List.

**Action Item #4: Ratify the Vote for the Corporate Governance and Securities Litigation Committee Meeting Schedule for 2022**

On a motion made by Ms. Kopp and seconded by Mr. Hamilton, the Committee voted to ratify the Corporate Governance and Securities Litigation Committee Meeting Schedule for 2022.

**Action Item #5: Adjournment of Open Session**

There being no further business before the Committee, on a motion made by Ms. Kopp and seconded by Mr. Hamilton, the meeting adjourned at 9:35 a.m.

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Toni Voglino