

THE INVESTMENT COMMITTEE
OF THE
MARYLAND STATE RETIREMENT AND PENSION SYSTEM
MINUTES OF OPEN MEETING

Convened on Tuesday, October 15, 2024, at 8:00 a.m., via WebEx virtual conference.

Committee Members Attending:	James Daly (Vice-Chair)	Richard Norman
	Budget Secretary Helene Grady	Douglas Prouty
	Sheila Hill	Michelle RhodesBrown
	Comptroller Brooke Lierman (Chair)	Monte Tarbox
	Tarrus Richardson	Sharcus Steen

Also Attending:	Andrew Palmer, CIO	Katherine Morris
	Alex Harisiadis, OAG	Leonardo DeSouza
	Anne Gawthrop	Linda Daley
	Anish Bedi	Lisa Jordan
	Robert Burd, Deputy CIO	Martin Noven, Exec. Director
	Cheryl Davis-Shaw	Megan Schutz
	Chris Mannino	Michael J. Howard
	Courtney Key	Mike Fang
	Dan Schick	Minh Nguyen
	Dani DiPietro	Rachel Cohen, OAG
	David Ferguson	Rick Sullivan
	David Rongione	Stephen Reynard
	Devaughn Blackburn	Steve Reilly
	Dimitri Grechenko	Stuart Kaye
	Haimanot Solomon	Teresa Carnell, OAG
	Jihwan Baek	Thomas Kim, Deputy CIO
	Jon Martin (Treasurer's liaison)	Toni Voglino

Comptroller Lierman called the meeting to order at 8:00.

Item 1: Ratification of Open Session Minutes

On a motion made by Mr. Norman and seconded by Mr. Prouty, the Investment Committee ratified the September 17, 2024, open session meeting minutes.

Comptroller Lierman outlined the items to be covered in closed session.

Rachel Cohen added that the committee will also be reviewing the September 17, 2024, Investment Committee meeting closed session minutes.

Item 2: Motion by the Investment Committee to meet in Closed Session:

On a motion by Mr. Daly and seconded by Mr. Norman, the Investment Committee moved to meet in closed session, beginning at 8:02 a.m., for the purposes of:

- (a) reviewing the closed session Investment Committee minutes, in order to comply with the requirement that closed session minutes be sealed and not open to public inspection, pursuant to General Provisions Art., § 3-103(a)(1)(i), the exercise of an administrative

function, and General Provisions Art., § 3-305(b)(13), to comply with a specific statutory requirement that prevents public disclosure, namely, General Provisions Art., § 3-306(c)(3)(ii), requiring that the minutes of a closed session be sealed and not be open to public inspection.

(b) receiving advice of counsel regarding the SEC's Marketing Rule and the Board's Policy on Political Contributions and Placement Agents, in order to protect confidential attorney-client communications, pursuant to General Provisions Art., § 3-305(b)(7), to consult with counsel to obtain legal advice.

CLOSED SESSION

Committee Members	Michael Barry	Richard Norman
Attending:	James Daly (Vice-Chair)	Douglas Prouty
	Dereck Davis	Michelle RhodesBrown
	Budget Secretary Helene Grady	Tarrus Richardson
	Sheila Hill	Sharcus Steen
	Comptroller Brooke Lierman (Chair)	Monte Tarbox

Also Attending:	Andrew Palmer, CIO	Cheryl Davis-Shaw
	Robert Burd, Deputy CIO	Courtney Key
	Thomas Kim, Deputy CIO	Lisa Jordan
	Rachel Cohen, OAG	Danni DePietro
	Alex Harisiadis, OAG	Devaughn Blackburn
	Martin Noven, Executive Director	
	David Rongione, Chief Internal Auditor	

On a motion made by Mr. Daly and seconded by Mr. Norman, the Investment Committee voted to adjourn closed session and returned to open session at 8:09 a.m.

OPEN SESSION

Committee Members	James Daly (Vice-Chair)	Richard Norman
Attending:	Budget Secretary Helene Grady	Douglas Prouty
	Sheila Hill	Michelle RhodesBrown
	Comptroller Brooke Lierman (Chair)	Monte Tarbox
	Tarrus Richardson	Sharcus Steen

Also Attending:	Andrew Palmer, CIO	Katherine Morris
	Alex Harisiadis, OAG	Leonardo DeSouza
	Anne Gawthrop	Linda Daley
	Anish Bedi	Lisa Jordan
	Robert Burd, Deputy CIO	Martin Noven, Exec. Director
	Cheryl Davis-Shaw	Megan Schutz
	Chris Mannino	Michael J. Howard
	Courtney Key	Mike Fang
	Dan Schick	Minh Nguyen
	Dani DiPietro	Rachel Cohen, OAG
	David Ferguson	Rick Sullivan

David Rongione
Devaughn Blackburn
Dimitri Grechenko
Haimanot Solomon
Jihwan Baek
Jon Martin (Treasurer's liaison)

Stephen Reynard
Steve Reilly
Stuart Kaye
Teresa Carnell, OAG
Thomas Kim, Deputy CIO
Toni Voglino

During closed session, the Committee discussed the matters identified in the motion to meet in closed session, and acted on the following matters:

- **Ratification of the Closed Session Minutes**

The Committee approved the ratified closed session minutes for the September 17, 2024, minutes.

Item 6: Consider Recommended Policy Edits Regarding Political Contributions and Placement Agents

On a motion by Mr. Prouty, and seconded by Mr. Daly, the Investment Committee adopted the recommended policy changes regarding political contributions and placement agents.

Item 7: Consider Recommended edits to the Investment Policy Manual Regarding Criteria for Compensation & Financial Incentives for CIO and Staff

Mr. Burd noted that the proposed changes to the Investment Policy Manual reflect the changes that the Board approved in February and June of 2024 based on recommendations from the Objective Criteria Committee and the Board's compensation consultant.

On a motion by Mr. Daly, and seconded by Mr. Prouty, the Investment Committee adopted the recommended policy changes regarding criteria for compensation and financial incentives for the CIO and staff.

Item 8: Consider Recommended New Policy Regarding Optional Retirement Program (ORP)

Mr. Kim discussed proposed new policy language regarding the Optional Retirement Program, which included feedback from the Investment Committee, ORP consultant, investment staff, and AG's office. Mr. Kim noted that the revisions from the initial draft shared during the September 17, 2024, Investment Committee meeting were minor and recommended the Investment Committee approve the new ORP Investment Policy Statement.

The committee deferred the approval of the proposed ORP Investment Policy Statement pending additional details relating to the timeline and objectives for the ORP consultant RFP, which is scheduled to be issued in 2025.

Item 9: Terra Maria Draft Policy Language

Comptroller Lierman introduced the next item relating to policy language relating to the System's emerging manager program. She noted that Terra Maria policy language is currently not included in the Investment Policy Manual and expects the committee to approve language at the next meeting.

The committee discussed the draft Terra Maria policy language. Mr. Palmer discussed staff's review of emerging manager policy language at other peer plans. He noted that staff had received some feedback

from Trustees and that this commentary could be incorporated in a final version of the policy in November. The committee also discussed whether the Terra Maria program could be considered a separate asset class with targets applied to the total plan or at the individual asset class level.

Comptroller Lierman summarized next steps and noted that Terra Maria policy language could be voted on during the November Investment Committee meeting.

Item 10: Private Market Policy Guideline Edits

The committee discussed draft policy language relating to the integration of in-state investments within the System's private markets program. Comptroller Lierman noted that a final version of the draft could be approved in the November meeting after Trustees and staff had additional time to review. The committee discussed the possibility of utilizing a shared document review and editing service so that comments can be added and seen by the whole board. Staff indicated that a shared document service might not be consistent with open meetings requirements. Ms. Cohen noted that staff would research this issue further.

Item 11: Motion by the Investment Committee to adjourn meeting

Comptroller Lierman requested a motion to adjourn the meeting.

There being no further business before the Investment Committee, on a motion made by Mr. Daly and seconded by Mr. Prouty, the meeting adjourned at 9:05 a.m.

Item 12: NEXT INVESTMENT COMMITTEE MEETING – November 19, 2024, 9:00AM

Respectfully submitted,



Andrew C. Palmer
Chief Investment Officer