

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

428 East Fourth Street • Suite 205 • Charlotte, North Carolina • 28202 • (704) 626-2728 • Fax (704) 626-7365

INVESTMENT COMMITTEE MINUTES

July 18, 2024

PRESENT: John Carr, Matt Hastedt, Joey Hager, Mike Feehley

ABSENT: Teresa Smith

OTHER: Sandy Thiry, Tony Bass, Desiré Dixon, Lisa Flowers

GUESTS: Ben Young (in-person), Peter Kashanek (via phone) - Lazard

OFFICIAL CALL TO ORDER by John Carr at 8:00 a.m.

Approval of Meeting Minutes

Motion: Matt Hastedt motioned to approve the June 20, 2024 meeting minutes as presented and Mike Feehley seconded the motion. The motion carried unanimously.

Asset Allocation Report

The Committee reviewed the asset allocation report and determined that all asset classes were acceptable in accordance with market conditions and the Investment Policy Statement. The Fund's total market value was estimated to be \$646.6 million as of June 30, 2024.

Emerging Market Equity Review

Lazard Asset Management

Ben Young gave an organizational update. As of March 31, 2024, Lazard's total assets under management were \$210.5 billion, over 19% of which were Public/Government clients. Of the total, 38% was Global and International Equity mandates, and over 11% was in Emerging Markets Equity. Specific to the CFRS, the Emerging Markets Advantage strategy represented \$5.3 billion of the Lazard's \$21.4 billion in Quantitative Equity assets under management. Ben reminded the Committee that the emerging markets equity strategy is designed to improve returns through balanced stock selection along with diversifying risks and maintaining liquidity.

Peter Kashanek reviewed the performance of the portfolio and shared an overview of the current market environment as well as the best performing sectors and countries. As of June 30, 2024, the Emerging Markets Advantage portfolio beat the benchmark, net of fees, across all reporting periods for the CFRS.

Various Manager Updates

Morgan Stanley Investment Management announced the retirement of portfolio manager, Vladimir Demine, as of August 30, 2024. Sora Utzinger will join in September 2024, as a senior ESG Research Analyst.

New Business

No new business was presented during the July meeting.

Joey Hager motioned to adjourn at 8:48 a.m. and Matt Hastedt seconded the motion.

The motion carried unanimously.

The next Investment Committee Meeting is scheduled for Thursday, August 15, 2024 at 8:00 a.m.