



## Investment Committee

# Meeting Summary

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**November 17, 2021**

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Investment Committee met on November 15 and 16, 2021.

### **The Committee approved the following:**

- AGENDA ITEM 7a  
Baseline economic scenario Capital Market Assumptions for the Affiliate Funds for use in the 2021-22 Asset Liability Management Process
- AGENDA ITEM 7b  
Candidate Portfolio B2, with a 6.8% discount rate and utilizing 5% leverage

### **The Committee received reports on the following topics:**

- The results of the annual evaluation of the Board Investment Consultants,
- Highlights of current investments in California,
- An overview of the Emerging Manager Program, and
- An update on the Real Assets Program's compliance with the Responsible Contractor Program Policy.
- The Chair directed staff to:
  - Review comments on Apollo Management from a public commentor and consider engagement options,
  - Bring forward a report on stranded assets and renewable energy project holdings in the portfolio, and consider reporting options consistent with current TCFD reporting,
  - Report on the three-year relative performance of CalPERS investments in Chinese securities,
  - Include a 15% benchmark-relative leverage limit in the upcoming revisions to the Total Fund Policy,
  - Provide a memo with additional context and information on the benchmarking and performance of the Emerging Manager Program,
  - Report on the minority- and women-owned organizations CalPERS has allocated to, and
  - Forward the CITI report on diversity and the overall economy.

**The Committee heard public comment on the following topics:**

- The proposed candidate portfolios,
- The discount rate and its effect on employer contributions,
- Investment policy and risk,
- Sustainability,
- Gathering data on diverse managers.

**At this time, I would like to share some highlights of what to expect at the March Investment Committee meeting:**

- An overview of the plan to implement the approved strategic asset allocation and associated policy updates,
- Staff and the Investment Consultants' updates on market conditions and total fund performance, and
- An update on CalPERS' governance and sustainability projects.

The next meeting of the Investment Committee is scheduled for March 14, 2022, in Sacramento, California.