

Federal Investments Report for CalPERS Board June 2018

The California Public Employees' Retirement System (CalPERS) Federal Investments Policy Representative, K&L Gates, is providing an oral federal legislative update on the Department of Labor, Employee Benefits Security Administration's Field Assistance Bulletin No. 2018-01 which offers guidance on environmental social and governance (ESG) investment considerations, proxy voting and shareholder engagement activities consistent with Title I of the Employee Retirement Income Security Act of 1974 (ERISA.)

This agenda item supports the CalPERS 2017-22 Strategic Plan goal to strengthen the long-term sustainability of the pension fund.

K&L Gates provides consultation and representation to CalPERS on any federal proposal potentially impacting CalPERS investments and corporate governance programs. This includes assisting in the development and implementation of strategies to accomplish CalPERS priorities. This oral report covers new guidance that cautions pension plan fiduciaries about the economic relevance of ESG issues in investment choices, proxy voting and shareholder engagement.