



Investment Committee

Agenda Item 6a

June 20, 2023

(TIME CERTAIN 9:30 AM PST)

Item Name: Current Trends in Investing and Sustainability

Program: Investment Office

Item Type: Information

Executive Summary

This agenda item will be an oral presentation between Nicole Musicco, CalPERS Chief Investment Officer and international finance leader Mark Carney, Vice Chair of Brookfield Asset Management and Head of Transition Investing. Ms. Musicco will moderate a discussion regarding current developments in the marketplace with its implication for CalPERS returns. The discussion will center around Mr. Carney's expertise in managing climate risk and moving towards sustainable investments over the coming years.

Strategic Plan

This agenda item supports the CalPERS 2022-2027 Strategic Plan goal to strengthen the long-term pension sustainability by supporting the Committee in its oversight role for CalPERS' investment strategy.

Investment Beliefs

This agenda item supports the following CalPERS Investment Beliefs:

- Investment belief 2: "A long time investment horizon is a responsibility and an advantage"
- Investment belief 4: "Long-term value creation requires effective management of three forms of capital: financial, physical, and human"
- Investment belief 6: "Strategic asset allocation is the dominant determinant of portfolio risk and return"
- Investment belief 9: Risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error"

Analysis

Not applicable

Budget and Fiscal Impacts

Not applicable

Benefits and Risks

Not applicable

Attachments

Attachment 1 – Mark Carney, Vice Chair of Brookfield Asset Management and Head of Transition Investing Biography

Peter Cashion
Managing Investment Director
Sustainable Investing

Nicole Musicco
Chief Investment Officer