



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

FOR IMMEDIATE RELEASE
September 4, 2008

Contact: Joe DeAnda
916-653-2995

Treasurer Lockyer Sponsors Addition of Public Health Criterion to CalSTRS Investment Policy

SACRAMENTO – State Treasurer Bill Lockyer issued the following statement on today’s decision by the California State Teachers’ Retirement System (CalSTRS) to add a public health criterion to the policy that governs investments, including U.S. tobacco companies:

“I’m pleased that our investment policy will now include consideration of human health effects. Big Tobacco is one example of an industry that has historically shown a complete disregard of public health, both here and abroad. They’ve marketed to children and increased our health care costs. There should be no consideration of reinvesting of tobacco.

“As we continue to debate changes to our policy, we shouldn’t forget the teachers we represent. What kind of message would we send to them and their students if CalSTRS reinvested in tobacco while its members attempt to teach our children healthy habits? Other investments will allow us to satisfy our fiduciary responsibility to retirees without sacrificing human health and placing an undue health care burden on taxpayers.”

CalSTRS’ Investment Committee unanimously approved the addition of the public health criterion on Lockyer’s motion. The component was added to CalSTRS’ Environment, Social and Governance Policy (ESG), which measures risk and governs decisions related to CalSTRS investment decisions, including tobacco and other industries. The development comes as CalSTRS debates whether to reverse a 2000 decision to divest in U.S. tobacco firms.

###