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AUGUST 21, 2023

AGENDA ITEM 6  
ACTION ITEM

CALSAVERS RETIREMENT SAVINGS BOARD

*Annual Review of the Investment Policy Statement*

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***Summary***

The CalSavers Retirement Savings Board (Board) will review its Investment Policy Statement, which was last amended by the Board in May 2022.

***Background***

Government Code Section 100002(e)(3) requires the Board to review its investment policy statement (IPS) on an annual basis during a public meeting.

The Board's IPS was first adopted on May 21, 2018, and was last amended on May 24, 2022, to reflect the replacement of the investment option focused on environmental, social, and governance (ESG) factors.

Staff recently worked with the Board's investment consultant, Meketa Investment Group, to review the IPS and identify any areas in need of revision, in keeping with the routine review cycle. Staff and the consultants identified a few technical changes that would improve the quality, clarity, and accuracy of the IPS and presented those proposed changes to the Board at the May 22, 2023, Board meeting.

At the meeting, the State Controller's office requested staff and the investment consultants to revisit the existing investment belief #10 on ESG/socially responsible investments and to work with the Controller's office on developing language to encourage the Board to evaluate efforts by fund managers to incorporate of diversity, equity, and inclusion (DEI) principles into their work as part of the selection of future fund managers.

***Recommendation***

Staff recommend the Board approve the revisions to the IPS as proposed in Attachment 6A.

***Attachment:***

- Attachment 6A: Proposed Edits to the Investment Policy Statement, last amended May 24, 2022
- Attachment 6B: Investment Policy Statement, last amended May 24, 2022