

ACERA ESG Mission Statement

ACERA's Board members are fiduciaries and their legal duty remains, at all times, to promote the growth and sustainability of the Fund to provide timely retirement and related benefits to ACERA members and their beneficiaries. The Board's fiduciary duties require loyalty to ACERA's members and beneficiaries and prudence in all decisions made regarding ACERA's investments and administration. Within this context, the Board recognizes the need to mitigate risks that may have a negative impact on the Fund's long-term financial results while adhering to a diversified investment strategy designed to meet ACERA's desired return and risk objectives.

Risk mitigation includes the prudent consideration of Environmental, Social, and/or Governance (ESG) risk factors that may materially impact the Fund's long-term financial returns. ESG considerations will be evaluated, where applicable, with the goal of mitigating risk while maintaining or improving Plan returns over the long term. The Board shall analyze and consider ESG factors in its decision to approve investments when those factors are reasonably deemed by the Board, in consultation with its internal and external professional investment advisors, to be material to its financial returns.

ACERA's Board will develop and adopt an ESG policy statement which codifies its values, policies and procedures and will revisit and update this policy periodically.