




Santa Barbara County Employees' Retirement System

DATE: July 26, 2023

Agenda Item #2

TO: SBCERS BOARD OF RETIREMENT

FROM: Gregory Levin, CPA 

RE: **SBCERS ESG Board Education: Fiduciary Duty and Legal Context**

Recommendation

That the Board of Retirement receive the educational presentation on Environmental, Social and Governance Investing (ESG) presented by General Counsel Alan Blakeboro and SBCERS CEO Greg Levin.

Summary

The presentation will be a discussion format with the System's General Counsel and CEO. It will cover the following:

- a background on the history of ESG,
- how ESG targeted funds differ from the use of ESG factors as analytic tools by institutional investment managers,
- how the current political debate has blurred the distinction between ESG targeted funds and the consideration of ESG factors by institutional investment managers,
- how ESG relates to the Board of Retirement's fiduciary duty.

This presentation is a primer for the following item presented by Principal and Co-Lead Consultant Matthias Bauer, CFA of RVK, Inc. and Investment Officer Rebecca M. Valdez of SBCERS which will cover manager application of ESG within their investment thesis.

Attachments

- None