

## **Office of the Chief Investment Officer**

### **TO MEMBERS OF THE INVESTMENTS SUBCOMMITTEE:**

#### **DISCUSSION ITEM**

*For Meeting of May 22, 2018*

### **INVESTMENTS AND ENGAGEMENT WITH STAKEHOLDERS AROUND SUSTAINABILITY**

The Office of the Chief Investment Officer (CIO) is proud to be a part of the University of California, as well as the broader community of institutional investors, and view engagement and collaboration as one of its most valuable resources. In order to incorporate the theme of sustainability into its investment process and culture, the Office of the CIO is dedicated to collaborating and engaging with its peers, industry groups, public and private sectors, and with the University of California community to gain knowledge of environmental, social, and governance issues, build strategic partnerships, access new opportunities, and magnify UC's collective voice in the pursuit of sustainability.

An example of this engagement is CIO Bachher's February 28 meeting with the State Senate Select Committee on California, Armenia and Artsakh Mutual Trade, Art and Cultural Exchange Office. The subject of this panel discussion was California, Armenia and Artsakh Trade Agreements, Civil Rights Issues, and University of California Divestiture and Budget Impacts.

CIO Bachher spoke to the panel regarding UC's investment strategy, exposure to Turkey, and partnership with American University of Armenia. The Subcommittee will hear from representatives from the Armenian Youth Federation Western Region calling for excluding investments from Turkish government-controlled financial instruments.

Another example of engagement is with Fossil Free UC, who over the past five years have been advocating to the Regents and the Office of the CIO to move away from fossil fuels. The Subcommittee will hear from a representative from Fossil Free.

The Office of the CIO values stakeholder engagement and partnering with the community throughout this process to establish the University's leadership in environmental, social, and governance issues.

The Office of the CIO will present its approach to engagement with various stakeholders and provide a recap of the Senate Select Hearing and the Subcommittee will hear views from stakeholders regarding the discussion during the panel.