

APERS Update

**Joint Performance Review Committee
February 26, 2024**

Amy Fecher, APERS Executive Director



BlackRock and Tennessee Litigation

Tennessee's litigation is based on BlackRock allegedly misleading consumers on ESG activity.

- **APERS has no investments with BlackRock.**
- APERS continues to monitor the outcome of this case.



Arkansas ESG

Act 411 of 2023 established an ESG Oversight Committee to make divestment decisions. The committee has been appointed but has not convened yet. A list of prohibited companies will be developed in 90 days and published on the Treasurer of State's website.

APERS Actions

- Incorporating language into contracts moving forward
- Continue to monitor and ensure compliance with ESG laws
- Will work with the ESG Oversight Committee to implement requirements as identified
- APERS investment managers are required to include a compliance letter each month certifying compliance with applicable Arkansas laws.

Arkansas Proxy Voting

Act 498 of 2023 requires APERS and other retirement systems to report proxy votes to the Board annually and post the reports on our website.

APERS Actions

- Updated Investment Policy Statement in November 2023 which addresses proxy votes and complying with all state and federal laws.
- Require managers to acknowledge in writing they will follow all Arkansas requirements
- Require managers to file a report detailing their votes within 45 days of quarter end
- Uploading proxy voting reports to produce a FY24 report
- Assessing any additional resources that may be required to fully monitor proxy voting

Texas Restricted Financial Companies (Energy)

Texas	APERS
AMP Limited	N/A
BlackRock, Inc.	N/A
BNP Pariaus SA	N/A
Credit Agricole SA	N/A
Danske Bank A/S	N/A
HSBC Holdings PLC	N/A
Impax Asset Management Group PLC	N/A
Jupiter Fund Management PLC	N/A
Nordea Bank ABP	N/A
Rathbones Group PLC	N/A
Schroders PLC	N/A
Societe Generale SA	N/A
Svenska Handelsbanken AB	N/A
Swdbank AB	N/A
UBS Group AG*	N/A
*Acquired Credit Suisse Group AG	



Oklahoma Restricted Financial Companies

Oklahoma	APERS
BlackRock, Inc.	N/A
Wells Fargo & Co.	N/A
JP Morgan Chase & Co.	N/A
Bank of America	Contract – no investments
State Street Corp.	N/A
Climate First Bank	N/A



Kentucky Restricted Financial Companies

Kentucky	APERS
BlackRock, Inc.	N/A
BNP Paribas SA	N/A
Citi Group Inc.	N/A
Climate First Bank	N/A
Dankse Bank A/S	N/A
HSBC PLC	N/A
JPMorgan Chase & Co.	N/A
Nordea Bank ABP	N/A
Schroders PLC	N/A
Svenska Handelsbanken AB	N/A
Swedbank AB	N/A



West Virginia Restricted Financial Institutions

West Virginia	APERS
BlackRock, Inc.	N/A
Goldman Sachs Group Inc.	N/A
JP Morgan Chase & Co.	N/A
Morgan Stanley	N/A
Wells Fargo & Co.	N/A



ARKANSAS

Arkansas Democrat-Gazette

Copyright © 2024, Arkansas Democrat-Gazette, Inc.

THURSDAY, FEBRUARY 22, 2024

State retirees' portfolio grows

System's investments rise \$736M, or 7.98% in quarter



FY23 up **8.83%** over FY22 at **\$10.288 billion**

Calendar Year 2023 returns increased by **12.33%**



Last Quarter investment funds increased by **7.98%**



Friday, February 23, the fund is **\$11.139 billion**



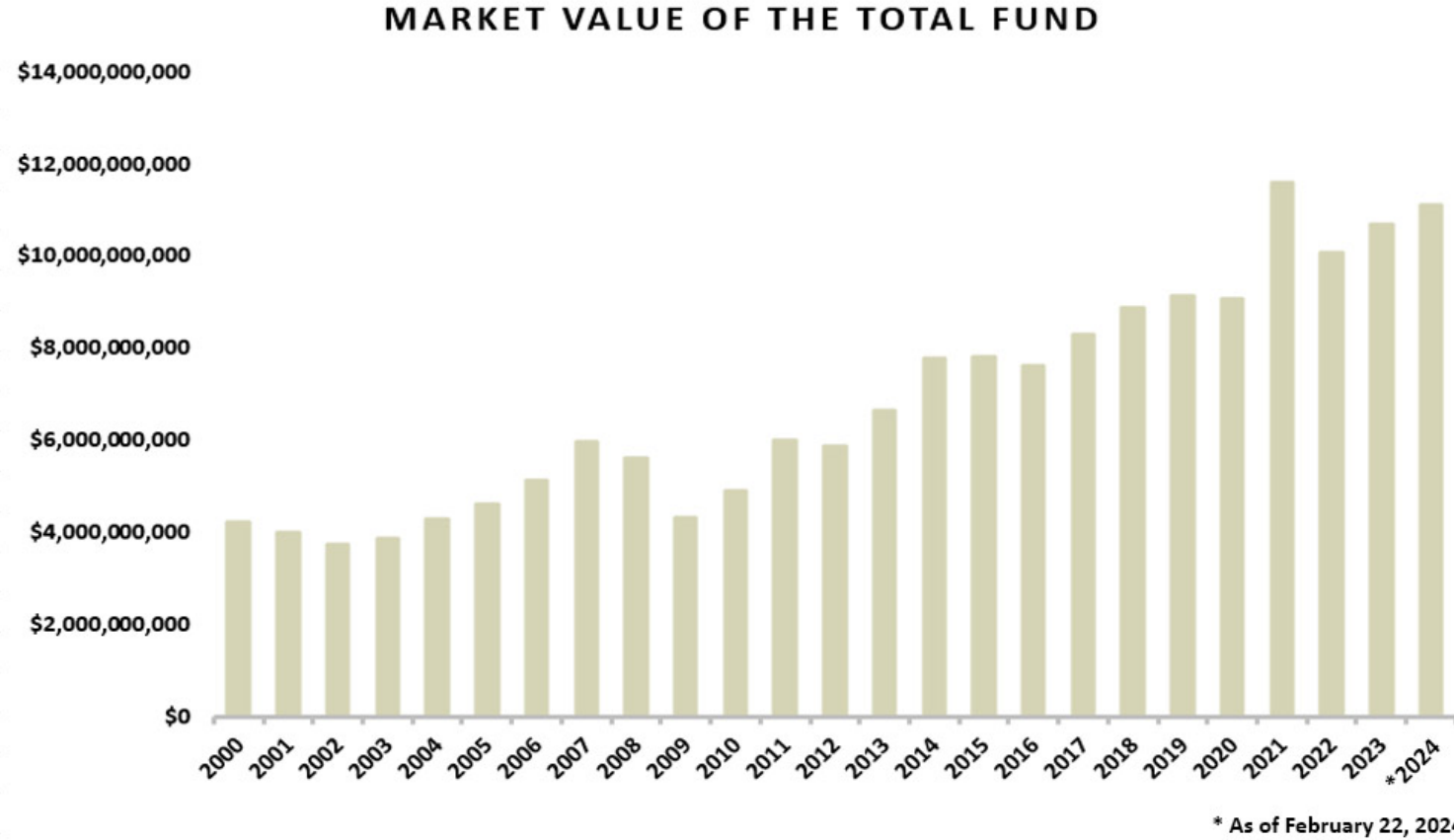
Increasing investment earnings for **Generational Funding**



Historical Market Values of the Total Fund

Fiscal Year-End Market Values

Fiscal Year Ending	Market Value
2000	\$4,236,749,732
2001	\$4,012,745,608
2002	\$3,739,381,695
2003	\$3,869,787,676
2004	\$4,307,589,827
2005	\$4,642,924,118
2006	\$5,136,985,259
2007	\$5,985,111,493
2008	\$5,633,155,289
2009	\$4,341,419,711
2010	\$4,907,734,835
2011	\$6,022,965,589
2012	\$5,896,862,618
2013	\$6,662,631,673
2014	\$7,800,291,923
2015	\$7,820,289,128
2016	\$7,624,665,446
2017	\$8,301,352,120
2018	\$8,904,393,859
2019	\$9,153,121,783
2020	\$9,093,497,703
2021	\$11,602,695,185
2022	\$10,098,870,531
2023	\$10,691,261,784
2024 <i>(As of February 22, 2024)</i>	\$11,139,792,168



Amy Fecher
Executive Director

(501)682-7854 Office
(501) 416-0101 Cell
amy.fecher@arkansas.gov

