Stewardship is the heart of Colorado PERA’s mission. As stewards of pension plan assets, we manage approximately $56 billion on behalf of more than 670,000 members. That is a tremendous responsibility, and one we accept wholeheartedly.

We promote the financial sustainability of the Fund through four key practices: Protect, Integrate, Advocate, and Evaluate.

**INVESTING FOR THE FUTURE**
**PERA’S INVESTMENT STEWARDSHIP OVERVIEW**

**PROTECT MEMBERS’ INTERESTS BY WATCHING COSTS**
- Lower costs in PERA Capital Accumulation Plans (CAPs)
- Provide high-quality returns at low costs using internal management

**INTEGRATE RELEVANT FACTORS INTO PERA’S INVESTMENT STRATEGY**
- Invest in firms with sustainable business models for long-term profitability
- Vote proxy proposals to promote expected long-term shareholder returns

**EVALUATE EXPOSURES AND RECOGNIZE LIMITATIONS**
- Use independent research
- Identify and measure exposures

**ADVOCATE FOR ROBUST MARKETS**
- Advocate for robust capital markets
- Develop and share best practices
Long-Term Target Allocation

Our stewardship centers on one objective: To seek out quality investments that are expected to provide the best risk-adjusted returns to PERA’s portfolio over the long-term. We start by building a portfolio of diverse assets to withstand market fluctuations. Each investment category in the portfolio is carefully selected to maximize anticipated returns while managing investment risks to the Total Fund.

* Expected 30-year returns were as of Q1 2019, were provided by the Board’s external consultant (Aon), and were used in the 2019 asset/liability study.

** Investors have varying degrees of transparency into the operational and financial results of public and private companies. Publicly listed companies are required to disclose information about their operational and financial results that may not be required of privately owned companies. This leads to greater informational efficiency for asset valuations in public markets than in private markets.
Regardless of how a risk or opportunity is labeled, PERA is committed to investing for our members’ retirement security. That means we may consider factors that can be labeled under an “ESG” framework, but we will not limit our investment and proxy voting decisions to those factors alone. Instead, we consider the full mosaic of financial risks and opportunities.

We invest based on financial value, not personal or political values. This integrative approach supports our mission to provide retirement income to over 670,000 members, retirees, and their beneficiaries.
Each pillar of Colorado PERA’s investment stewardship supports our mission to provide retirement benefits to our members while ensuring the sustainability of the fund.

**PROTECT**
- Protect members’ interests by watching costs

**INTEGRATE**
- Integrate relevant factors into PERA’s investment strategy

**ADVOCATE**
- Advocate for robust markets

**EVALUATE**
- Evaluate exposures and recognize limitations

### Annual Figures as of December 31, 2022, except where noted.

<table>
<thead>
<tr>
<th><strong>PROTECT</strong></th>
<th><strong>INTEGRATE</strong></th>
<th><strong>ADVOCATE</strong></th>
<th><strong>EVALUATE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$60 Million</td>
<td>$600</td>
<td>16</td>
<td>$76 Billion</td>
</tr>
<tr>
<td>Savings due to internal investment management</td>
<td>Companies and fund managers engaged on material investment factors</td>
<td>Advocacy councils to which PERA Investments staff contributed expertise</td>
<td>Generated by PERA’s investments over the past 30 years</td>
</tr>
<tr>
<td>0.38%</td>
<td>~68,000</td>
<td>6</td>
<td>8.0%</td>
</tr>
<tr>
<td>Cost to manage the Total Fund, or less than $4 of cost for every $1,000 managed</td>
<td>Proxy proposals voted</td>
<td>Advocacy councils to which PERA Investments staff contributed expertise</td>
<td>Annualized 10-year net return on PERA’s investments</td>
</tr>
<tr>
<td>$100,000</td>
<td>&gt;300</td>
<td>&gt;35</td>
<td>6.5%</td>
</tr>
<tr>
<td>Estimated savings by producing CAP fund fact sheets internally</td>
<td>Proposals seeking ESG disclosures voted</td>
<td>Legislative and regulatory offices engaged on matters that can affect PERA and our members</td>
<td>Annualized 5-year net return on PERA’s investments</td>
</tr>
</tbody>
</table>

Annual figures as of December 31, 2022, except where noted.

**LEARN MORE ABOUT PERA’S INVESTMENT STEWARDSHIP**

We invite you to visit our website at copera.org/stewardship to learn more about how we practice sound stewardship over fund assets for the ultimate benefit of plan participants.

On the Investment Stewardship page of PERA’s website, you can find:

- PERA’s comprehensive Investment Stewardship Report
- Stewardship highlights in a digital and interactive format.
- The PERA Board of Trustees’ Statement on Divestment.
- PERA’s Proxy Voting Policy and vote record.
- Videos about PERA’s investment stewardship initiatives.