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OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**

TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS  
ON  
SENATE BILL NO. 3085

**February 4, 2020**  
**2:50 P.M.**  
**Conference Room 225**

RELATING TO SOCIALLY RESPONSIBLE INVESTING

The Department of Budget and Finance provides comments on S.B. 3085.

Senate Bill No. 3085 proposes to integrate socially responsible investing (SRI) into the investment decision-making of endowment, trust, or investment funds created by statute or maintained by state agencies or offices, under certain conditions.

The Department's comments are as follows:

1. The bill contains language that while specific, may not be comprehensive. The committee could consider a higher policy-level requirement. For example, a State of Illinois law uses language such as "The investment policy shall include material, relevant, and decision-useful sustainability factors to be considered by the Treasurer in evaluating investment decisions, including, but not limited to: (1) corporate governance and leadership factors; (2) environmental factors; (3) social capital factors; (4) human capital factors; and (5) business model and innovation factors, as provided under the Illinois Sustainable Investing."

2. The requirements of the bill could affect the performance of the funds that are impacted; and
3. For added clarity, we suggest adding the following language: “This chapter shall not apply to financial institution time deposits or financial institution processing services”.

Thank you for the opportunity to provide our testimony on this bill.

TESTIMONY BY THOMAS WILLIAMS  
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM  
STATE OF HAWAII

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS

ON

SENATE BILL NO. 3085

**February 4, 2020**  
**2:50 PM**  
**Conference Room 225**

RELATING TO SOCIALLY RESPONSIBLE INVESTING

Chair Thielen, Vice-Chair Inouye, and Members of the Committee,

S.B. 3085 proposes to integrate socially responsible investing into the investment decision-making of endowment, trust, or investment funds created by statute or maintained by state agencies or offices under certain conditions. It further seeks that these funds comprehensively divest from companies and industries that are “corrupt, environmentally destructive, or socially damaging” including those investing in fossil fuels. As socially responsible institutional investors long committed to high standards of environmental, social and corporate governance, the Employees’ Retirement System of the State of Hawaii (ERS) appreciates the intent of the bill but opposes the broad divestment directive it would impose.

The ERS integrates responsible environmental, social and governance (ESG) investing practices in overseeing the System’s assets and devotes a primary chapter of its “Investment Policy, Guidelines, and Procedures Manual to Responsible Investing.” Within these three areas are a broad set of concerns that are increasingly being included by us and institutional investors generally as factors that figure in the valuation of investments. Examples include but are not limited to, a company’s carbon footprint, respect for human and civil rights, gender and ethnic diversity, non-discrimination, climate change and effective board oversight. We believe that ESG factors affect the economic value and performance of an investment now and in the future. The ERS incorporates ESG considerations into its investment processes to identify and select investment partners and opportunities which align with our investment return objectives and values.

The consensus amongst large public pension funds and endowments is that divestment, while symbolically powerful, will prove less effective in achieving long-term ESG goals than a policy of shareholder engagement. Shareholder engagement is

viewed as the first and more effective approach, at least initially, and is demonstrably driving positive corporate change. Importantly, mandated divestment is likely to increase portfolio risk and adversely impact our investment return. There are only two sources of money to pay promised benefits, contributions and investment returns. Shortfalls in one must be made up by the other.

While lower long-term return and increased risk would appear sufficient justification for avoiding mandated divestment, overriding all is the requirement imposed on the ERS management and its Board of Trustees by trust law. As pension plan fiduciaries, we have the legal responsibility to invest solely for the exclusive benefit and in the best interests of our members and their beneficiaries. Our first priority is to maximize the risk adjusted return on our investments. Any failure to do so would represent a breach of our fiduciary duty and perhaps place at risk our tax qualification status. We can secondarily invest in effectuating desirable environmental and social goals so long as they do not impair the first objective. Those advocating divestment are focused almost exclusively on factors other than maximizing returns. We are focused first on the sustainability of our plan both near and long-term, for the sole benefit of our members and their beneficiaries. The ERS Board of Trustees, Executive Management and professional investment staff, is best positioned to identify and achieve the proper portfolio composition while weighing the balance between investment return and ESG objectives.

As it relates to fossil fuels, the attached chart demonstrates a steady decline in fossil fuel exposure as a percent of our total portfolio from 2014-2019. This decline has been achieved without sacrificing return and without mandated divestment.

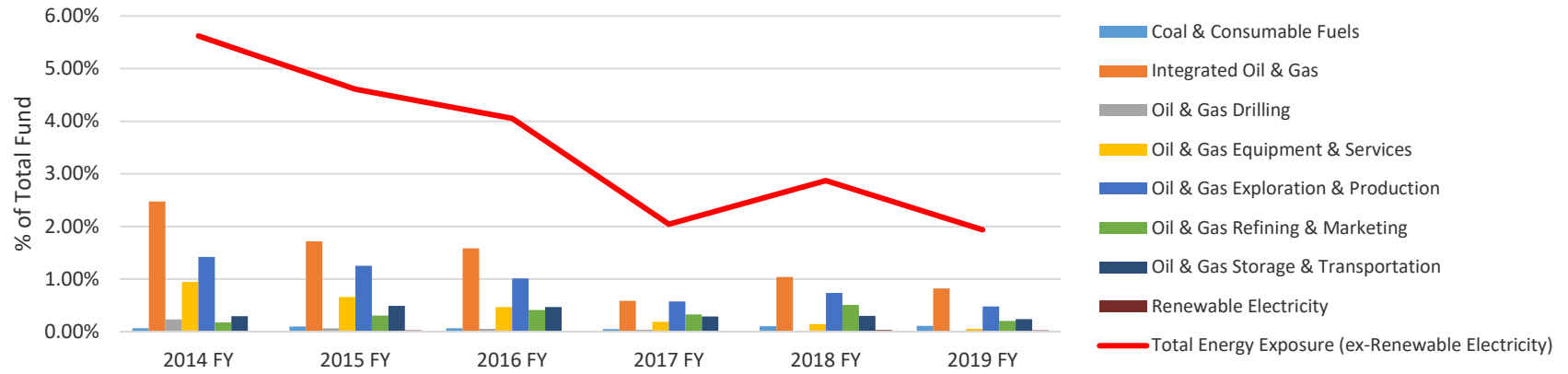
To leverage our impact in the effort to achieve sustainable change in corporate behaviors, we joined in 2018 the premiere organization leading the ESG movement, Principles for Responsible Investment (PRI). As a signatory and member of its Climate Action 100, we have joined with over 2,800 other signatories representing \$86.3 trillion in assets to amplify our voice and impact. The PRI pursues corporate engagement over divestment as the preferred approach to achieving sustainable change.

We are committed to supporting the global effort to mitigate the adverse effects of climate change. Our balanced approach allows us to play a meaningful role in effectuating change while avoiding harm to our portfolio and our returns, which forced divestment would likely impose. The broad mandate proscribing investments as articulated in the bill would prove unwise if imposed on our investment activities and almost impossible to administer.

On behalf of the ERS Board of Trustees, we oppose SB3085 and I respectfully request that your committee defer it.

Thank you for this opportunity to testify.

## ERS Energy Exposure (% of Total Fund) 2014 - 2019





**Chair Laura Thielen**  
**Vice Chair Lorraine Inouye**

**Senate Committee on Government Operations**

**Tuesday, February 4, 2020**  
**2:50PM**

**TESTIMONY IN SUPPORT OF SB3085 RELATING TO SOCIALLY RESPONSIBLE  
INVESTING**

Aloha Chair Thielen, Vice Chair Inouye, Members of the Senate Committee on Government Operations,

Young Progressives Demanding Action (YPDA) advocates for public policies that reflect the values of young people throughout the State of Hawai‘i. YPDA is in **Support** of **SB3085**, Relating to Socially Responsible Investing.

It is very important that the State of Hawai‘i divests from entities that harm the environment, violate workers rights, labor standards, human rights, etc. Not only is it because that is the right thing to do, but also because of the question of influence, whether that’s something we can see in person or have to dig a little deeper on. To create a livable future for families struggling in Hawai‘i and a livable planet, the State will have to make important decisions that are in conflict with these interests.

It is harder to accomplish these goals, like ending our reliance on private prisons, meeting our renewable energy goals, pesticide regulation when their money is involved in our schools and communities. By removing this web of entanglements, we would be leaving a better, more just, equitable, and sustainable future for future generations.

This measure is important, especially now as fossil fuel industries and agrochemical industries face lawsuits and private prisons come under more scrutiny for violating human rights. The State of Hawai‘i has the opportunity to encourage social and environmental accountability by investing in enterprises and companies already doing so, and the opportunity to invest locally and work to help our local economy. By doing so, you would create a better future, build public trust, and help our economy here at home.

Young Progressives Demanding Action is in **Support** of **SB3085**. Please pass this bill through your committee.

Mahalo for the opportunity to testify,

Jun Shin,  
Executive Committee Member  
Young Progressives Demanding Action (YPDA)  
P.O. Box 11105  
Honolulu, HI 96828  
Cell: 808-255-6663  
Email: junshinbusiness729@gmail.com  
CC: action@ypdahawaii.org



## SB 3085, RELATING TO SOCIALLY RESPONSIBLE INVESTING

FEBRUARY 4, 2020 · SENATE GOVERNMENT  
OPERATIONS COMMITTEE · CHAIR SEN. LAURA H.  
THIELEN

**POSITION:** Support.

**RATIONALE:** IMUAlliance supports SB 3085, relating to socially responsible investing, which incorporates socially responsible investing in the investment decision-making of endowment, trust, or investment funds established by statute or maintained by state agencies or offices.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Columbia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of people are displaced from their homes. In the decades to come, says Gerrard, **climate change will very likely lead to a significant increase in the number of people who are displaced**



**and, thus vulnerable, to human trafficking.** While the Paris Climate Agreement of 2015 established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, **our state must take bold steps to address the worsening climate crisis, including by ensuring that state agencies invest in companies and funds that are socially and environmentally responsible, and divesting from companies and industries that are corrupt, environmentally destructive, or socially damaging.** Honolulu and Maui Counties recently announced lawsuits against fossil fuel companies for the role they have played in the climate crisis. Just like with tobacco and pharmaceutical companies, fossil fuel corporations are being held financial accountable for taking reckless actions that jeopardized public health. State agencies make large-scale investments that contribute significantly to the bottom lines of private companies and financial investment firms. **Socially responsible investing, in turn, helps to bankrupt the businesses that have placed our planet in peril and limit global warming below 1.5 degrees Celsius, the threshold for avoiding complete climate catastrophe.**

**SB-3085**

Submitted on: 1/30/2020 10:20:20 AM

Testimony for GVO on 2/4/2020 2:50:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Sultan White        | Individual          | Support                   | No                        |

Comments:

I stand in support of SB3085. Hawaii has the opportunity to be on the leading edge of the socially responsible investing movement. Many large banks are changing their investment models, incorporating ESG (Environment, Society, Corporate Governance) into their decision making. If we are channeling funds into fossil fuels, private prisons, factory farms, and other corrupt or nefarious industries, we are supporting them even if our policy might state otherwise. Not only is there a moral case for socially responsible investing, there is a business case. As the population continues to grow, further straining our environment and social relations, businesses must become sustainable not out of the goodness of our hearts but out of necessity. We must get in on the ESG elevator on the ground floor, to realize maximum gains. The time is now.

**SB-3085**

Submitted on: 2/3/2020 1:57:45 PM

Testimony for GVO on 2/4/2020 2:50:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Dain Christensen    | Individual          | Support                   | No                        |

Comments:

To whom it may concern,

Now is the time to act. Resolutions regarding sustainability and social responsibility are well received by the global community but now the time has come to act. The science is clear. We can no longer invest money in areas contradictory to our commitment to a more sustainable world. We must divest from fossil fuels and invest in green jobs. We are in a climate crisis. Let us act like it.

Mahalo,

Dain

**SB-3085**

Submitted on: 2/3/2020 8:37:14 PM

Testimony for GVO on 2/4/2020 2:50:00 PM

| <b>Submitted By</b> | <b>Organization</b>                  | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|--------------------------------------|---------------------------|---------------------------|
| David Mulinix       | Testifying for Our Revolution Hawaii | Support                   | No                        |

Comments:



183 Pinana St., Kailua, HI 96734 • 808-262-1285 • [info@350Hawaii.org](mailto:info@350Hawaii.org)

To: The Senate Committee on Government Operations  
From: Sherry Pollack, Co-Founder, 350Hawaii.org  
Date: Tuesday, February 4, 2020, 2:50 pm

**In strong support of SB3085**

Dear Chair Thielen, Vice Chair Inouye, and members:

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org strongly supports **SB3085**. This bill would incorporate socially responsible investing in the investment decision-making of endowment, trust, or investment funds established by statute or maintained by state agencies or offices.

Kuleana (responsibility) to family, community, and aina is a core value and way of life in our islands. We need to ensure that our socially conscious priorities are aligned with our financial investments.

In particular, 350Hawaii supports divestment from fossil fuels, which is becoming more and more obvious to be in our best financial interests as it limits our exposure to stranded asset investments. The recent announcement by the world's biggest asset manager, BlackRock, that they are divesting coal companies from a part of their investment business and working to drive their clients to invest in "sustainable" portfolios, will have a significant impact on the financial world.

But more importantly, it's time to put an end to fossil fuel financing that is accelerating the effects of climate breakdown. Our keiki deserve a livable future.

Mahalo for the opportunity to testify in **strong support** of this very important bill.

Sherry Pollack  
Co-Founder, 350Hawaii.org

**SB-3085**

Submitted on: 2/3/2020 9:44:04 PM

Testimony for GVO on 2/4/2020 2:50:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Ted Bohlen          | Individual          | Support                   | No                        |

Comments:

**SB-3085**

Submitted on: 2/4/2020 8:48:57 AM

Testimony for GVO on 2/4/2020 2:50:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Michael Kramer      | Individual          | Support                   | No                        |

Comments:

Aloha,

I am writing today in support of SB3085 in order to provide additional expectations to the state ERS on how it should embrace sustainable and responsible investing. As a leadig professional adviser in this space, I had the privilege of being invited to share information about socially responsible investing to ther ERS staff and trustees a couple of years ago. While the ERS has signed the UN's Principles of Responsible Investing, that is only the beginning of what should be a much more comprehensive approach to the integration of values throughout all asset classes of the portfolio. Industry and academic research demonstrates the financial efficiacy of this approach in that it mitigates investment risk on governance, social and environmental issues that are material to financial performance. The ERS has taken small steps in this direction, but could use further encouragement via legislation to take bolder action as far as the issues that should be addressed via its portfolio. Through sophisticated avoidance and affirmative screening, the endowment could reflect both the values of its beneficiaries while also achieving optimal financial performance.

Mahalo for your consideration of this bill; I urge its passing.

Michael Kramer

Managing Partner, Natural Investments

**LATE**

WRITTEN ONLY  
Testimony by Ian Chan Hodges

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS ON  
SENATE BILL NO. 3085

February 4, 2020 2:50 P.M.  
Conference Room 225

TESTIMONY IN SUPPORT OF SB3085 RELATING TO SOCIALLY RESPONSIBLE INVESTING

Aloha Chair Thielen, Vice-Chair Inouye and members of the committee,

Thank you for the opportunity to provide written testimony on this measure.

My name is Ian Chan Hodges and at the end of last week I had the privilege of serving as a co-organizer and co-host of the Ahupua'a Investment Summit which was held at the University of Hawaii Maui College on Friday, January 31 and Saturday, February 1. I would be testifying in person, but I have follow up conversations scheduled today on Maui with experts in socially responsible investing (also known as Environmental, Social Governance or ESG investing) from the Mainland and overseas who participated in the Ahupua'a Investment Summit.

On the afternoon of Friday, January 31, the summit featured a panel of pension fund beneficiaries and a representative of the investment office of the Hawaii Employees' Retirement System. The purpose of the panel was for the pension fund beneficiaries to discuss their priorities with the ERS when it comes to ESG models, and recommend strategies for ongoing beneficiary engagement. The provisions of SB 3085 reflects the interests of the beneficiaries and other summit participants.

The next panel Friday afternoon was NAVIGATING THE STORM OF CLIMATE AND INEQUALITY, which was moderated by Maui County Council Member Shane Sinenci who serves as chair of the council's Environmental, Agricultural, and Cultural Preservation Committee and vice-chair of the Climate Action committee.

### Panel Discussion: Navigating the Storm of Climate and Inequality

The twin crises of climate and inequality are nearly universally recognized as an existential threat to asset owners, investment managers and the beneficiaries they serve. How do investors navigate risks and opportunities in the allocation of assets to address both?



**Shane  
Sinenci**

*Maui County  
Council Member*



**Mark  
Campanale**

*Founder,  
Carbon Tracker  
Initiative*



**Morgan  
LaManna**

*Senior Manager,  
Ceres*



**Ian  
Monroe**

*CEO,  
Etho Capital*



**Damon  
Silvers**

*Director of  
Policy,  
AFL-CIO*



What panelists clearly demonstrated is that divestment from fossil fuels — a key provision of SB 3085 — has been shown to improve risk adjusted investment returns over the past five years, and is not considered to be a violation of fiduciary duty. Among the leading institutions to have made fossil fuel divestments are the University of California regents, Stanford University, and the Sovereign Wealth Fund of Norway.

To provide an up-to-date example of this I am including a chart comparing the performance of the Etho Climate Leadership ETF (top line with 75% return) to that of the S&P 500 (bottom line with 58.16% return) over the past 5 years. Although past performance is no guarantee of future results, the chart does demonstrate that investing in only the most climate-efficient and sustainable companies' stock can significantly improve performance.



**LATE**

WRITTEN ONLY

Testimony by Mark Campanale

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS ON  
SENATE BILL NO. 3085

February 4, 2020 2:50 P.M.  
Conference Room 225

TESTIMONY IN SUPPORT OF SB3085 RELATING TO SOCIALLY RESPONSIBLE  
INVESTING

Aloha Chair Thielen, Vice-Chair Inouye and members of the committee,

Thank you for the opportunity to provide written testimony on this measure.

My name is Mark Campanale and at the end of last week I had the opportunity to attend the Ahupua'a Investment Summit where I served on a panel on climate change moderated by Maui Council Member Shane Sinenci. The summit was held at the University of Hawaii Maui College on Friday, January 31 and Saturday, February 1.

I am the Founder and Executive Chair of the Carbon Tracker Initiative, a non-profit financial thinktank focused on the clean energy transition, with offices in London and New York. Our goal is to ensure that financial markets are aligned with the goals of the Paris Climate Agreement. See [https://www.carbontracker.org/wp-content/uploads/2019/10/CTI\\_Annual-Review-2018-19.pdf](https://www.carbontracker.org/wp-content/uploads/2019/10/CTI_Annual-Review-2018-19.pdf) We are staffed by financial modellers and data scientists, many of whom have had previous careers as oil and gas or energy analysts for large Wall Street /City of London investment institutions. We draw on this expertise to provide investors with analysis to support their investment decisions on achieving a safe climate.

Financial regulators through initiatives such as the Taskforce for Climate Related Disclosures (TCFD) and the Network of Central Banks and Supervisors for Greening the Financial System <https://www.ngfs.net/en> are increasingly concerned that asset owners are misreading the speed of the energy transition, facing the risk of 'stranded assets' and the likely threats to financial stability from climate change. Regulators recommend that companies should disclose how their businesses can align with the international agreements of 'well below 2 degrees' and what key risks this realignment will present.

Institutional shareholders and debt investors in fossil fuels are waking up to these risks, which Carbon Tracker sets out here <https://www.wormcapital.com/insights/kingsmill-bond-carbon-tracker-qa-eric-markowitz>. Central to these risks is that the science concludes that most fossil fuels (including gas, not just oil and coal) must remain in the ground to avoid the threat of extreme weather events. This puts a hole at the heart of the business models of fossil fuel companies, most of which are focused on maintaining a 'business as usual' approach to investment in new discoveries and increased investment for production.

Carbon Tracker's research indicates that Oil and Gas producers must cut output by average of 35% to 2040 to hit Paris targets ConocoPhillips and Exxon must cut the most – see <https://www.carbontracker.org/balancing-the-budget-press-release/>

Our most recent report, <https://www.carbontracker.org/reports/handbrake-turn/> and reviewed here <https://www.businessgreen.com/news/4009885/carbon-tracker-climate-policy-action-halve-value-oil-projects> “The report assesses the impact of a "forceful, abrupt, and disorderly" policy climate response from governments from 2025, which it concludes could seriously impact the value of oil and gas projects due to enter production over the next five years”.

Asset owners are a range of options in which to respond, which may include engagement through Climate Action 100+ <http://www.climateaction100.org/>

Many asset owners are, however, divesting from fossil fuels on grounds of financial risk. This is because of the risks faced to the entire sector come not just from climate policy, but from clean technologies disrupting traditional business models. ‘Engagement’ will not deal with how the market in energy and transport is being taken away from fossil fuels by renewable energy such as solar or wind, and electric vehicles. Even the International Energy Agency admits that over 95% of investments being made by fossil fuel companies is in more fossil fuels, showing no real evidence that business models are adapting via the engagement method.

Institutional investors face the risk of a rapid decarbonization of financial markets. There are two approaches that the retirement scheme of Hawaii could adopt to better inform trustees of investment risks:

**Value at Risk Modelling:** the scheme could ask its investment managers or advisors to model the impacts on portfolio holdings from the energy transition. What, for example, would be the impact on the valuations of fossil fuel and utility companies from the rapid commercial uptake of clean technologies? If Chevron or Exxon was to have their markets halved over the next decade, what is the downside risk to their valuations, both on debt and equity? Other means of stress testing portfolios are available for example through <https://www.carbon-delta.com/climate-value-at-risk/> Leaving the ‘market to adjust’ in its own time leaves the value of the scheme at risk from a rapid re-pricing of assets, against the interests of scheme beneficiaries. To date, there is little evidence that either the sell side investment banks or the buy side investment managers are incorporating this fundamental analysis into stock recommendations, leaving asset owner's capital at risk.

**Low Carbon Performance Benchmarks:** Traditional performance benchmarks such as the MSCI World Index are too backward looking to enable investors to re-align their portfolios. What is of interest is now how the market performed in the past, but how structural changes to entire business sectors such as energy and transport will impact on markets in the near future. The retirement scheme of Hawaii could investigate new performance measurement tools to report to trustees on how the scheme is re-orientating its portfolio to a low carbon future. This may require the scheme to report to trustees against indices such as <https://www.ftserussell.com/index/spotlight/ftse-tpi-climate-transition-index> which provides benchmark metrics for institutions recognizing the need to decarbonize in an orderly manner.

I urge the scheme to take all appropriate measures to properly monitor and manage these risks. Formal mandated support for ESG would enable this.

**LATE**

WRITTEN ONLY

Testimony by David Wood

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS ON  
SENATE BILL NO. 3085

February 4, 2020 2:50 P.M.  
Conference Room 225

TESTIMONY IN SUPPORT OF SB3085 RELATING TO SOCIALLY RESPONSIBLE INVESTING

Aloha Chair Thielen, Vice-Chair Inouye and members of the committee,

Thank you for the opportunity to provide written testimony on this measure.

My name is David Wood and at the end of last week I had the the opportunity to participate in the Ahupua'a Investment Summit. The summit was held at the University of Hawaii Maui College on Friday, January 31 and Saturday, February 1.

For context, I am currently Director of the Initiative for Responsible Investment, a project housed at the Center for Public Leadership at Harvard Kennedy School, where we conduct applied research into the theory and practice of responsible investment and its many variants.

Institutional investors globally have adopted responsible investment strategically to address long-term environmental and social risk and opportunities. And a growing number of investors have more actively sought to invest in funds and projects that bring specific environmental and/or social benefits, or as a way to avoid specific harms associated with investments that support externalized costs on society.

A strong public policy framework can help direct investment towards more positive social outcomes, and as importantly can set standards that prevent greenwashing and hold social goals to account, all within fiduciary standards.

Thank you for your attention,



David Wood