

CONTROLLER STEVE WESTLY

STATE OF CALIFORNIA

300 Capitol Mall
Sacramento, CA 95814
916.445.2636
www.controller.ca.gov

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**CONTACT: RUSS LOPEZ
916-445-2636**

CalPERS Adopts Westly Motion on Holocaust Era Claims

SACRAMENTO – State Controller Steve Westly today announced that the CalPERS Investment Committee approved his recommendations to toughen its Holocaust Report for companies that have not settled outstanding restitution.

“It’s time we put some teeth into the CalPERS Holocaust Era report.” Westly said. “Corporate governance goes beyond whether or not a particular company can be sued – companies need to consider how not living up to their responsibilities can impact their brands.”

The Holocaust report requires CalPERS to monitor and annually report on investment holdings in companies and affiliates that do business in California and that owe compensation to victims of slave or forced labor during World War II. Elements of Westly’s motion adopted today include enhancing the reporting requirements by:

- Indicating clearly the companies that have settled their responsibilities
- Following up with companies in the Holocaust Report that have not made arrangements to settle outstanding issues
- Notifying these companies that CalPERS will post the enhanced report on its website

“This policy ensures we’re putting pressure on the companies that haven’t made restitution for outstanding claims to do the right thing,” Westly added.

At Westly’s recommendation, CalPERS will also send a letter to the companies in its Northern Ireland Report that have repeatedly been identified as participating in, or allowing, discriminatory practices in the workplace.

The Investment Committee also approved a Westly motion to expand its request for proposal for money managers that can produce risk-adjusted returns while screening for climate change and other environmental constraints. Westly’s motion addressed the concern that CalPERS was severely limiting its application pool and could lose out on key investment opportunities.

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