



STATE OF CONNECTICUT

TREASURER SHAWN T. WOODEN

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STATE'S LARGEST PENSION FUNDS RETURN OVER 16.8% IN 2019 *Treasurer Wooden Announces that Pension Assets Grew to a historic high of \$37.6 Billion* *Investment Advisory Council Approves divestment as part of* *Treasurer's Responsible Gun Policy*

HARTFORD, CT — During the Investment Advisory Council (“IAC”) meeting held today, Treasurer Shawn T. Wooden reviewed the changes he adopted as part of an updated [Investment Policy Statement](#). These changes were approved by the IAC, including support for the Treasurer’s discretion to divest from manufacturers of civilian firearms and ammunition, as part of a first-of-its-kind comprehensive [Responsible Gun Policy](#).

Treasurer Wooden stated, “Connecticut’s Responsible Gun Policy reflects our commitment to push the needle on mitigating the risks and costs associated with gun violence. As the chief elected financial and fiduciary for the state it is my responsibility to remove these high risk and low reward investments from the CRPTF. With our comprehensive approach of divestment, disclosure and decision-making, we can change the way we do business and work to be part of the solution to the epidemic of gun violence.”

The Treasurer was joined at the meeting by Jeremy Stein, Executive Director of Connecticut Against Gun Violence and Janet Rice, Gun Violence Survivor from Hartford, CT.

Jeremy Stein, Executive Director of Connecticut Against Gun Violence said “Connecticut continues to lead the way on gun violence prevention and safety initiatives. We applaud the Treasurer for his common sense and responsible new gun policy that will use the power of the purse to save lives. We encourage other states and financial institutions around the country to follow our lead to address this public health crisis.”

Janet Rice, gun violence survivor said “I didn’t think I would see anything like this in my lifetime after losing my son Shane. Treasurer Wooden has taken the lead on addressing the gun violence epidemic that effects millions of families, like mine, across the nation.”

Po Murray, Chairwoman of Newtown Action Alliance, added “A comprehensive approach is needed to tackle the issue of gun violence and Treasurer Wooden’s policy to change the way the Office of the State Treasurer manages its investment and business practices will save lives. We encourage State Treasurers from ALL 50 states to adopt a similar policy to hold the gun industry accountable. Investing in the gun industry or doing business with financial institutions that invest in the gun industry is an investment in gun deaths and injuries. We know firsthand that too many families and communities suffer as a result.”

The CRPTF currently holds securities valued at \$79 million in these companies that will be replaced with securities that present less risk under the new Responsible Gun Policy.

Treasurer Wooden also announced that Connecticut’s two largest pension funds in the Connecticut Retirement Plans and Trust Funds (“CRPTF”) -- the State Employees’ Retirement Fund (“SERF”) and the Teachers’ Retirement Fund (“TRF”) -- generated strong investment returns, net of expenses, of 16.84% for calendar year

2019. These funds significantly outperformed their respective benchmarks by 80 basis points and each far exceeded the actuarial investment return assumptions of 6.9%.

“Double digit returns in global equities led the way in 2019 and all asset classes produced positive returns.” said **State Treasurer Shawn T. Wooden**. “The changes we have made with our investment program have made a difference. Our work throughout 2019 has better positioned the CRPTF so we can achieve better risk adjusted returns over the long run – and we will continue to do more of this work this year.”

Additionally, at the meeting, Treasurer Wooden informed the IAC about his decision to commit up to \$75 million to the **Clearlake Capital Partners Fund VI** and up to \$150 million to the **Carlyle Property Investors Fund**. Contract negotiations for both investments are underway.

Also, during the February meeting, Treasurer Wooden announced the new **CRPTF Brokerage Program Guidelines**. Building on the Domestic Equity Brokerage Program that has been in place for several years, the new program brings the CRPTF closer to best practices in the industry.

“The objective of the new **CRPTF Brokerage Program** is to keep more of the Treasury’s brokerage business, with Connecticut, women, minority, veteran and disability-owned firms, while expanding the opportunity to more asset classes.” said **State Treasurer Shawn T. Wooden**.

About the Responsible Gun Policy:

The Treasurer’s Responsible Gun Policy is a framework for guiding sound financial decisions and responsible corporate behavior on guns. In addition to encouraging companies to adopt safe gun practices, the Responsible Gun Policy informs and guides the State Treasurer’s work related to investments, borrowing and banking transactions.

The policy includes three core components:

1. Divestment - Prohibits the investment of the state’s pension funds in public securities of “civilian firearms manufacturing companies” with flexibility to invest in gun safe technologies.
2. Disclosure - Requests banks and financial institutions that wish to work with the Office of the Treasurer to disclose their policies on guns.
3. Decision-making - Weighs a financial institution’s gun policy as one factor, among many, when the Office of the Treasurer contracts banking and financial services.

About the Investment Advisory Council (IAC):

Treasurer Wooden is principal fiduciary of the CRPTF and is an *ex officio* member of the State’s independent Investment Advisory Council. The IAC is comprised of five public members with investment experience that are appointed by the Governor and legislative leadership; three representatives of the teachers’ unions; and two representatives of the state employees’ unions. In addition, the Secretary of the Office of Policy and Management is an *ex officio* member.

More information regarding the IAC and its responsibilities may be found [here](#).

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