



Important Information Regarding the ESG U.S. Stock Fund

On October 25, 2019, the OkMRF Board of Trustees approved a new defined contribution (DC) investment option called the ESG U.S. Stock Fund. The ESG U.S. Stock Fund is a stand-alone option consisting of U.S. mid-to-large companies that are focused on environmental, social and governance (“ESG”) factors. These factors, for example, include underlying companies that have demonstrated a commitment to climate change, sustainability, consumer rights, product safety, conflicts of interest, business ethics, etc. This fund seeks growth of capital through investment in stocks believed to offer opportunities for potential appreciation in hopes of delivering superior long-term performance and to enable them to achieve positive ESG impact.

ESG U.S. Fund Frequently Asked Questions

What is ESG investing?

ESG investing is a growing category of investment choices that blend environmental, social, and governance factors into traditional investment solutions. The fund manager uses ESG analytics to complement quantitative or fundamental investment analysis to mitigate risks or capture new opportunities. You may hear the term used interchangeably with "socially responsible investing (SRI)" and "sustainable investing."

Environmental Factors – sustainable resources, clean technology, climate change, low carbon

Social Factors – controversial weapons, repressive regimes, health safety, product safety, labor relations, diversity

Governance Factors – board independence, majority ownership, financial planning and reporting, executive pay

Why should I consider investing the in the ESG U.S. Stock Fund?

The Fund gives Participants the ability to diversify their portfolio and provide long-term growth, while positively impacting environmental, social and/or governance issues.

If I am very ESG-conscious and would like to express my views through my investments, what would be an appropriate allocation to the new ESG U.S. Stock Fund?

Each Participant’s desired risk/return profile is different. An investment in the new ESG U.S. Stock Fund should be part of a broader, diversified asset allocation decision. A participant who would like to invest in the new ESG U.S. Stock Fund should consider the Fund’s underlying exposure to U.S. mid-to-large cap stocks.

Can I choose which companies to invest in?

To provide greater portfolio diversification, efficiency and affordability, the fund is professionally managed by Calvert Investment Management. The investment manager purchases and monitors portfolio companies that fit specific ESG criteria. Individual company stock cannot be purchased in your retirement account with OkMRF.

When may I start investing in this fund?

The ESG U.S. Stock Fund will be available for investment trades beginning April 1, 2020.