

ADOPTED DECEMBER 4, 2020

## NEW MEXICO EDUCATIONAL RETIREMENT BOARD

### Divestment Policy

NMERB's primary responsibility, as set forth in the New Mexico constitution, is to invest fund assets for the sole and exclusive benefit of the members, retirees and other beneficiaries of the retirement system. NMERB believes that the New Mexico Legislature is best suited to consider whether divestment is appropriate. NMERB will implement the divestment mandates passed by the New Mexico Legislature and signed into law by the Governor. Also, the equities of companies that own or operate prisons will be excluded from both of the internally managed index portfolios. This exclusion will not apply to derivative exposure, as it is not practical to do so.