



REPORT TO COLORADO PERA  
BOARD OF TRUSTEES  
REGARDING DIVESTMENT FROM COMPANIES  
WITH PROHIBITIONS AGAINST ISRAEL

From Investment Staff  
June 21, 2019



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## SECTION 1 ***Executive Summary***

### *Background*

Colorado PERA staff have continued implementation and engagement to monitor compliance with Colorado Statute § 24-54.8-201, *et seq.* regarding Divestment From Companies With Prohibitions Against Israel since its enactment.

### *Summary*

Pursuant to C.R.S. § 24-54.8-201, *et seq.*, PERA has not been required to divest from any companies. One company (Danske Bank A/S) was identified as potentially eligible for divestment, and was placed on the Restricted Company List on September 22, 2017. On April 4, 2018, the company was removed from the Restricted Company List before it was subject to the divestment provision of the statute.

As of June 21, 2019 there are no companies identified as meeting the statutory restriction or divestment criteria set forth in C.R.S. § 24-54.8-201, *et seq.*

### *Reporting*

C.R.S. § 24-54.8-202(d)(5) states that “Upon request, and at least annually, the Public Employees’ Retirement Association shall make available on its website information regarding investments sold, redeemed, divested, or withdrawn in compliance with this section.”

In accordance with statutory disclosure requirements regarding Divestment From Companies With Prohibitions Against Israel, this report is submitted to the Board of Trustees as of June 21, 2019. Subject to Board approval, this report will be made publicly available on the PERA website.

## SECTION 2

### ***PERA Divestment From Companies with Prohibitions Against Israel***

*Statutory Requirements of C.R.S. § 24-54.8-201, et seq. enacted March 18, 2016*

The statute prohibits PERA from direct investment in publicly traded equity securities and certain publicly traded debt securities issued by foreign companies which maintain economic prohibitions against Israel. Any such companies shall be placed on a Restricted Company List, and formally engaged with by PERA staff. Following the 180-day engagement period, if a company remains restricted, it will be subject to the divestment provision of the statute. PERA must divest from all direct holdings of said company within one year of the date on which its restricted status became effective. PERA is required to provide divestment information on its website at least annually.

#### *Methodology*

To identify companies subject to restriction and divestment, PERA shall use an independent list provider, publicly available information (including, but not limited to, information provided by nonprofit organizations, research firms, international organizations and government entities), information provided by asset managers contracted by PERA, and information shared by other institutional investors which have divested from or engaged with foreign companies having economic prohibitions against Israel.

The Restricted Company List is officially updated at the regularly scheduled Board meeting biannually. The list may also be updated between regularly scheduled board meetings if PERA becomes aware, through further research and engagement, that a restricted company has ceased activity of economic prohibitions against Israel. At such time, the company shall be removed from the Restricted Company List and shall not be subject to the divestment provision of the statute unless it resumes activities which designate it as a company having economic prohibitions against Israel.

SECTION 3

***Record of Company Divestment and Restriction***

As of June 21, 2019, PERA has not divested from any companies pursuant to the statute, and there are no companies on the Restricted Company List.

The list below catalogues all companies on PERA's Anti-BDS Restricted Company List since statute enactment, including the date of any applicable divestment.

<b>Company</b>	<b>Date Added</b>	<b>Date Divested</b>	<b>Date Removed</b>
Danske Bank A/S	9/22/2017	N/A	4/4/2018