



## Agenda Item 9a

November 18, 2013

**ITEM TITLE:** Global Governance Program Update

**PROGRAM:** Global Governance

**ITEM TYPE:** Program Review – Information

### **EXECUTIVE SUMMARY**

This agenda item provides the Global Governance Program (the Program) annual review. Attachment 1 presents an overview of the Program and sets out recent accomplishments and priorities for the coming year. It highlights the Investment Policies and Investment Beliefs reflected in the Global Governance Program. Attachment 2 provides the quarterly update on proxy voting.

### **STRATEGIC PLAN**

This agenda item supports the goal of CalPERS Strategic Plan to improve long-term pension and health benefit sustainability. The Program review supports the Investment Committee (IC) in its oversight role to monitor performance, initiatives, and contributions to the System's investment objectives.

### **BACKGROUND**

The Program seeks good governance practices to ensure that CalPERS funds are being used for the benefit of our members to produce sustainable long-term, risk adjusted returns that pay pensions.

### **ANALYSIS**

This annual review highlights the six work streams progress, accomplishments, and work in progress. The review will demonstrate how the Program operates through each of the six work streams. The work streams are: Principles and Proxy Voting, Corporate Engagement, Financial Market Reform, Environmental, Social, Governance (ESG) Integration, Institutional Relations, Knowledge Management

### **BENEFITS/RISKS**

The Global Governance program supports CalPERS fiduciary duty to provide sustainable, risk adjusted returns for its members. The risks relate to not fulfilling Board policies and principles.

### **ATTACHMENTS**

Attachment 1 – Global Governance Program Accomplishments and Key Initiatives  
Attachment 2 – Quarterly Update Proxy Voting

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