
**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
INVESTMENT COMMITTEE
GLOBAL GOVERNANCE POLICY AD HOC SUBCOMMITTEE**

**MINUTES OF MEETING
OPEN SESSION**

November 18, 2015

The Global Governance Policy Ad Hoc Subcommittee (Subcommittee) met on November 18, 2015 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 1:00 p.m. and the following members were present:

Henry Jones, Chair
Bill Slaton, Co-Chair
JJ Jelincic
Betty Yee represented by Lynn Paquin

Ron Lind was excused

Other Board Members present:

John Chiang represented by Frank Moore
Theresa Taylor
Priya Mathur

AGENDA ITEM 2 – ACTION CONSENT ITEMS

On **MOTION** by Mr. Jelincic, **SECONDED** and **CARRIED**, to approve the following action consent items as presented. The motion passed.

- a. Approval of the October 21, 2015 Global Governance Policy Ad Hoc Subcommittee Meeting Minutes.

AGENDA ITEM 3 – INFORMATION CONSENT ITEMS

The Subcommittee accepted the following information consent items:

- a. Subcommittee Calendar Review
- b. Draft Agenda for the December 16, 2015, Global Governance Policy Ad Hoc Subcommittee Meeting

AGENDA ITEM 4a – Review Draft of the Global Governance Principles Alignment with Program Core Issues – Third Reading

The item was presented by Ted Eliopoulos, CIO and Anne Simpson, Investment Director. The presentation introduced a 3rd update to the Global Governance Principles, including a redraft of the Introduction and Purpose sections along with new language related to director tenure and properly funding regulators. It was suggested that the history section be less prevalent or moved to another area of the document. There was also a request to incorporate elements related to the regulatory environment and financial market reform. There was discussion regarding board tenure – with the Subcommittee agreeing 12 years was a more appropriate term (opposed to 10 years). It was determined staff should continue exploring other ways to achieve board refreshment, minimum disclosure requirements related to nominees for proxy access, and employee compensation.

AGENDA ITEM 4b – Review of Legislative and Policy Engagement Guidelines for Investments

This item was presented by Ted Eliopoulos, CIO and Anne Simpson, Investment Director. It was noted that the item was presented to the November 16, 2015 Investment Committee for approval and was being presented to the Subcommittee for possible questions. There were no questions from the Subcommittee members.

AGENDA ITEM 5 – Discussion on CalPERS Board Representation for Third Party Organizations – Investment Perspective

This information item presented issues for consideration regarding the process and criteria for CalPERS Board members to serve as directors of third party organizations. It was noted by Chairperson Jones that the policy should address instances where a particular CalPERS board member is requested to serve on a third party board. At this time Mr. Slaton took over as Subcommittee Chair upon the departure of Chairperson Jones. After discussion the Subcommittee members determined that the item should be taken up by the Board Governance Committee for a more formal evaluation.

AGENDA ITEM 6 – Summary of Subcommittee Direction

This item was presented by Ted Eliopoulos, CIO and summarized the Subcommittee Chair-directed items.

AGENDA ITEM 7 – Public Comment

No public comments were provided at the meeting.

The meeting adjourned at 1:54 p.m.

The next Subcommittee meeting is scheduled for December 16, 2015 in Sacramento, California.

THEODORE ELIOPOULOS
Chief Investment Officer