



Investment Committee Agenda Item 4f

August 15, 2016

Item Name: Global Governance Proxy Voting Update

Program: Global Governance

Item Type: Information Consent

Executive Summary

This agenda item provides an overview of the Global Governance Program's (Program) proxy voting activity for the 2nd quarter of 2016 (April 1, 2016 to June 30, 2016) and provides an update on CalPERS' shareowner campaigns.

Strategic Plan

This agenda item supports the CalPERS' Strategic Plan goal of improving long-term pension and health benefits sustainability. Regular program updates support the Investment Committee in its oversight capacity.

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

CalPERS Global Voting Policy states that proxy voting rights must be diligently exercised as part of the System's fiduciary duty. As part of this duty staff reviews information provided by companies, market experts, and investors to ensure votes are cast in line with CalPERS Global Governance Principles. This update highlights progress and accomplishments within the Global Governance proxy voting work stream.

Budget and Fiscal Impacts

Not applicable

Benefits and 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 – Overview of Global Proxy Votes Cast – Q2 2016

Attachment 2 – Q2 2016 Proxy Campaign Update

Anne Simpson

Investment Director

Global Governance

Dan Bienvenue

Managing Investment Director

Global Equity

Theodore Eliopoulos

Chief Investment Officer