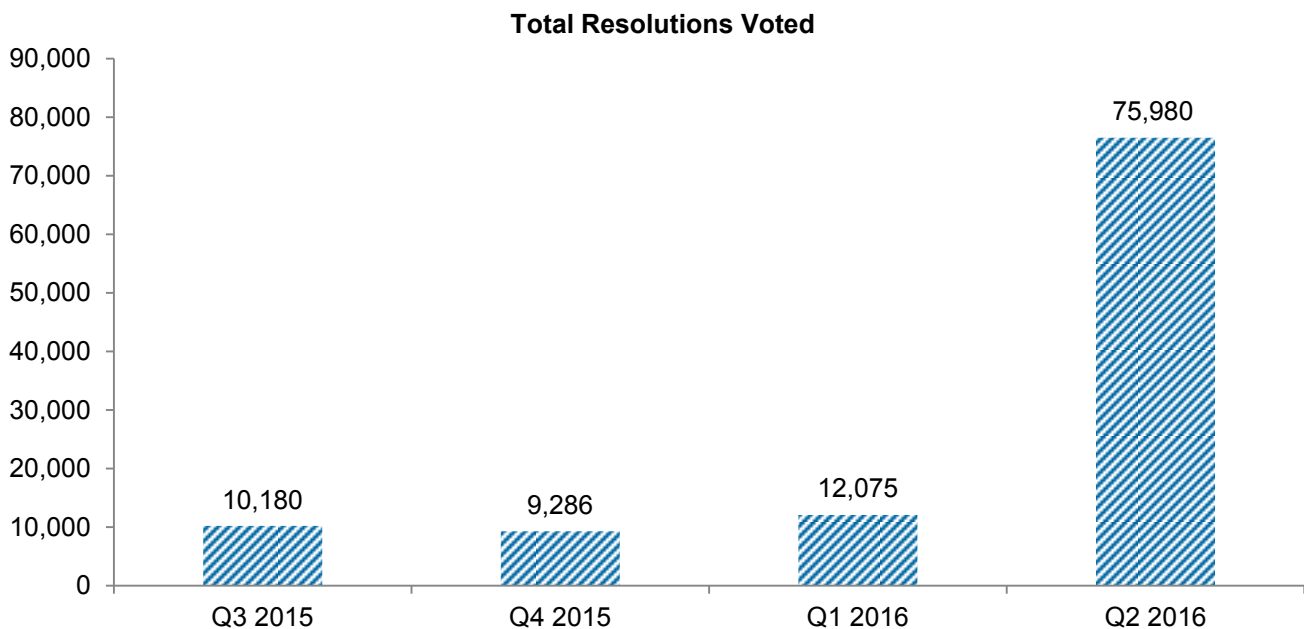
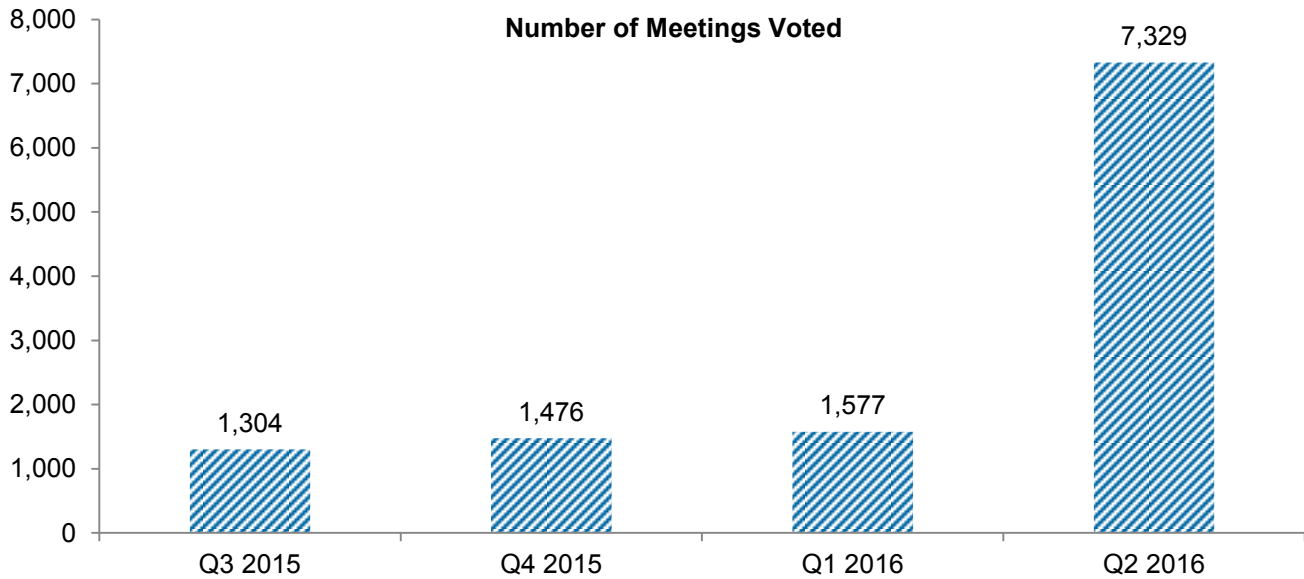


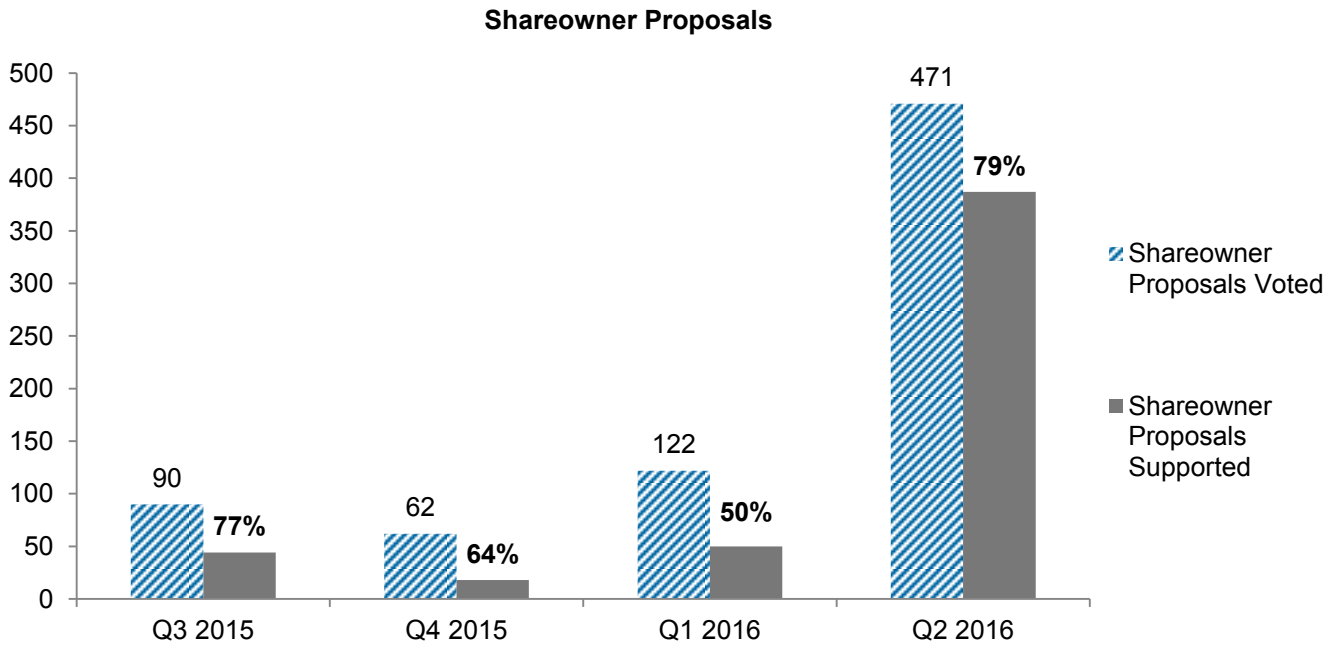
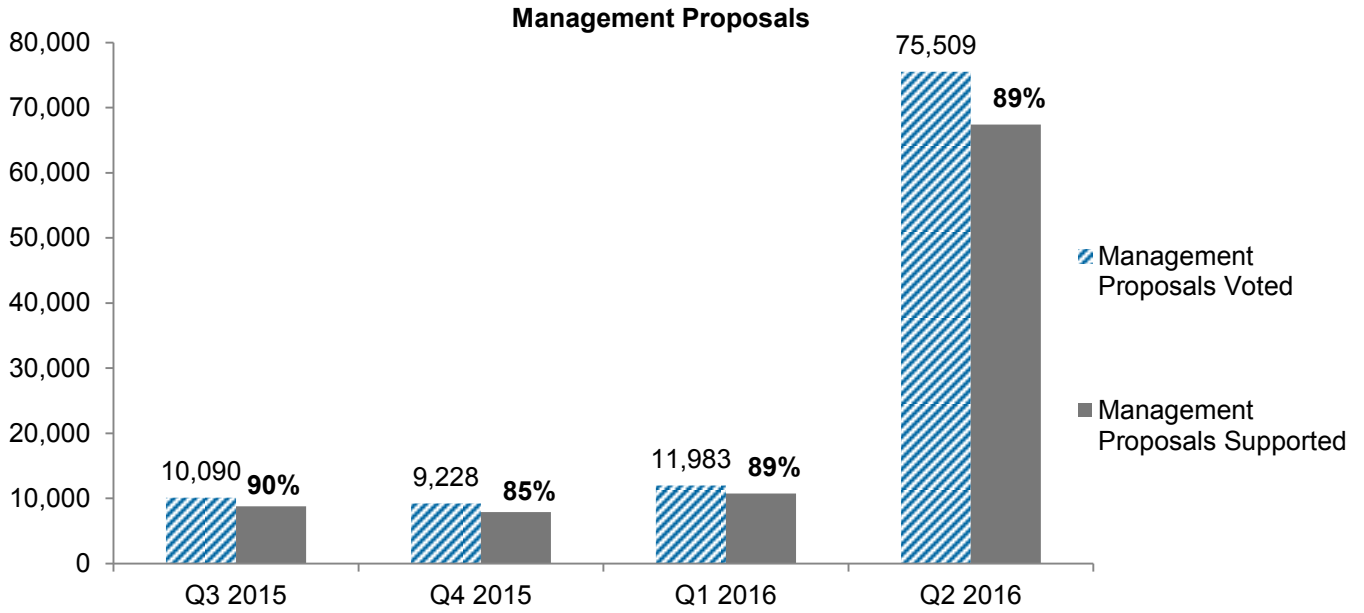
Overview of Global Proxy Votes Cast

Q2 2016 (April – June) 7,329 meetings voted

CalPERS cast votes at 7,329 company meetings worldwide, supporting 89 percent of management proposals and 79 percent of shareowner proposals. Votes are cast in line with CalPERS Global Governance Principles, as approved by the Board.



Staff has prepared detailed reports of CalPERS proxy votes cast over the period April 1, 2016 to June 30, 2015 for this agenda item. The attachments are not included in the agenda materials due to their size.



Source: Glass Lewis (Viewpoint)

Domestic Management Proposals: Examples of CalPERS FOR Votes



iRobot Corp.

Issue: Repeal of Classified Board

Reason: CalPERS is a firm supporter of annual director elections.

Vote Result: 98% FOR



The Allstate Corporation

Issue: Elect Directors

Reason: CalPERS supported each director nominee up for election consistent with CalPERS Global Governance Principles.

Vote Result: Each director received over 97% support.



Starwood Hotels & Resorts Inc.

Issue: Approval of Merger/Acquisition

Reason: CalPERS believes the merger is in the best interest of shareowners.

Vote Result: 99% FOR



Barnes Group Inc.

Issue: Adoption of Majority Vote for Election of Directors

Reason: CalPERS believes a majority of the proxies cast should be required to elect a director. CalPERS commends the company for putting forward a management proposal to adopt the governance best practice.

Vote Result: 99% FOR



3M Company

Issue: Ratification of Auditor

Reason: The proposal to ratify the auditor is consistent with the CalPERS Global Governance Principles.

Vote Result: 97% FOR



The Southern Company

Issue: Eliminate Supermajority Vote Requirement

Reason: CalPERS is a firm supporter of simple majority voting.

Vote Result: 98% FOR

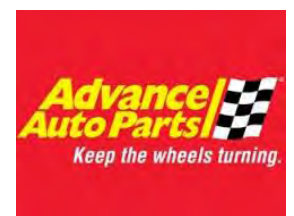


Advanced Auto Parts Inc.

Issue: Allow Shareowners to Call Special Meetings

Reason: CalPERS believes shareowners should be provided with the ability to call special meetings.

Vote Result: 99% FOR



Domestic Management Proposals: Examples of CalPERS AGAINST Votes

✘ Netflix Inc.
Issue: Elect Directors
Reason: CalPERS withheld vote from director nominees Richard Barton, Ann Mather, and Leslie Kilgore for failing to adopt a majority supported shareowner proposal in 2015.
Vote Result: Richard Barton: 52% AGAINST, Ann Mather: 44% AGAINST, Leslie Kilgore: 38% AGAINST



✘ Dean Foods Co.
Issue: Adopt Exclusive Venue Provision
Reason: CalPERS believes companies should not attempt to restrict the venue for shareowner claims by adopting charter or bylaw provisions that seek to establish an exclusive forum
Vote Result: 42% AGAINST



✘ ConocoPhillips
Issue: Elect Directors
Reason: CalPERS withheld vote from director nominee Charles Bunch for being an executive of a public company while serving on more than two company boards.
Vote Result: Charles Bunch – 47% AGAINST



✘ Big Lots Inc.
Issue: Ratify Auditor
Reason: CalPERS believes fees paid for non-audit services are excessive.
Vote Result: 92% AGAINST



✘ Liberty Media Corp.
Issue: Authorize Dual Class Shares
Reason: CalPERS is a firm supporter of the concept of one-share one-vote.
Vote Result: 32% AGAINST



✘ ExxonMobil Corp.
Issue: Elect Directors
Reason: CalPERS withheld vote from director nominee Ursula Burns for being an executive of a public company while serving on more than two company boards
Vote Result: Ursula Burns - 5% AGAINST



International Proposals: Examples of CalPERS **AGAINST** Votes:



Shire Plc.

Country: United Kingdom

Issue: Remuneration Policy

Reason: CalPERS has concerns over poorly structured compensation that includes the use of a single metric and short performance periods of less than three years.

Vote Result: 53% AGAINST



Sands China Ltd.

Country: China

Issue: Authority to Issue Shares without Preemptive Rights

Reason: Consistent with CalPERS Global Corporate Governance Principles we support the protection of preemptive rights.

Vote Result: 20% AGAINST



Noble Group Limited

Country: Singapore

Issue: Elect Director

Reason: CalPERS voted against the re-election of Gordon Eldon for having a poor attendance record.

Vote Result: Gordon Eldon – 18% AGAINST



Toho Co. Ltd.

Country: Japan

Issue: Election of Directors

Reason: CalPERS voted against the re-election of Kazo Sumi because the statutory auditors are not a majority independent.

Vote Result: Kazo Sumi - 28% AGAINST



Eramet

Country: France

Issue: Approve Issuance of Performance Shares

Reason: CalPERS believes equity compensation plans should have long-term vesting periods of at least three years.

Vote Result: 46% AGAINST





Antofagasta Plc.

Country: United Kingdom

Issue: Elect Director

Reason: CalPERS voted against the re-election of Andronico Luksic for having a poor attendance record. CalPERS also believes members of key board committees should be independent.

Vote Result: 29% AGAINST



Domestic Shareowner Proposals: Examples of CalPERS FOR Votes



Goodyear Tire & Rubber Co.

Issue: Adopt Proxy Access Right

Reason: CalPERS is a firm supporter of proxy access and giving shareowners effective access to the director nomination process.

Votes Result: 65% FOR



Carmax Inc.

Issue: Regarding Political Spending

Reason: CalPERS believes board oversight and disclosure of corporate charitable and political activity is necessary to ensure alignment with business strategy and to protect assets on behalf of shareowners.

Votes Result: 24% FOR



Southwest Airlines Co.

Issue: Adopt Proxy Access Right

Reason: CalPERS is a firm supporter of proxy access and giving shareowners effective access to the director nomination process.

Votes Result: 69% FOR



LinkedIn Corp.

Issue: Regarding Policy on Board Diversity

Reason: CalPERS firmly supports companies adopting policies to enhance diversity in the boardroom. CalPERS staff attended the company annual meeting to present the shareowner proposal.

Votes Result: 18% FOR **Note: multiple classes of voting stock***



Kroger Co.

Issue: Regarding Human Rights Reporting

Reason: CalPERS is a firm supporter of companies adopting best practice surrounding the elimination of human rights violations.

Votes Result: 24% FOR





FirstEnergy Corp.

Issue: Regarding Majority Vote for Election of Directors

Reason: CalPERS believes a majority of the proxies cast should be required to elect a director.

Votes Result: 62% FOR



Domestic Shareowner Proposals: Examples of CalPERS AGAINST Votes



Intel Corp.

Issue: Regarding Holy Land Principles

Reason: Consistent with CalPERS Global Governance Principles we believe the company's existing policy on human rights meets the request of this proposal.

Vote Result: 97% AGAINST



Facebook Inc.

Issue: Request to Establish Public Policy Board Committee

Reason: CalPERS believes the existing board level oversight on public policy issues meets the request of the proposal.

Vote Result: 97% AGAINST



Exxon Mobil Corp.

Issue: Request related to Sale of the Company

Reason: Consistent with CalPERS Global Governance Principles we believe the board should be responsible for corporate strategy – this includes decisions related to the sale of company assets.

Vote Result: 98% AGAINST

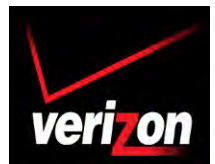


Verizon Communications Inc.

Issue: Adopt a Stock Retention and Award Holding Period Policy

Reason: Consistent with CalPERS Global Governance Principles we are firm supporters of stock retention and holding requirement policies. However, we believe the company's existing policy and disclosure on stock retention meets the request of the proposal.

Vote Result: 94% AGAINST



Johnson & Johnson

Issue: Adopt a Payout Policy Giving Preference to Share Buybacks

Reason: Consistent with CalPERS Global Governance Principles we believe the board should be responsible for corporate strategy related to capital discipline.

Vote Result: 97% AGAINST



Domestic Executive Compensation Proposals: Examples of CalPERS FOR Votes



CommunityOne Bancorp

Issue: Advisory Vote on Golden Parachutes

Reason: Consistent with CalPERS Global Governance Principles there are no concerns related to severance provisions.

Vote Result: 94% FOR



Colgate-Palmolive Co.

Issue: Say-on-Pay

Reason: Proposal is in line with CalPERS Global Governance Principles. CalPERS believes the company has structured a compensation program with a pay-for-performance discipline.

Vote Result: 95% FOR



Lowe's Companies Inc.

Issue: Amend Executive Incentive Bonus Plan

Reason: Proposal is in line with CalPERS Global Governance Principles related to incentive plans.

Vote Result: 97% FOR



Comcast Corporation

Issue: Approve Omnibus Stock Plan

Reason: Proposal is in line with CalPERS Global Governance Principles. The plan is performance based with long-term equity awards.

Vote Result: 95% FOR



Raytheon Corporation

Issue: Say-on-Pay

Reason: Proposal is in line with CalPERS Global Governance Principles. CalPERS believes the company has structured a compensation program with a pay-for-performance discipline.

Vote Result: 98% FOR



Kohl's Corporation

Issue: Approve Omnibus Stock Plan

Reason: Proposal is in line with CalPERS Global Governance Principles related to equity plans.

Vote Result: 97% FOR



Domestic Executive Compensation Proposals: Examples of CalPERS AGAINST Votes



Chesapeake Energy Corporation

Proposal: Say-on-Pay

Reason: The company has failed to link pay with performance.

Vote Result: 50% AGAINST



Astoria Financial Corporation

Proposal: Advisory Vote on Golden Parachutes

Reason: Concerns over egregious severance provisions and the use of single-trigger payments.

Vote Result: 62% AGAINST



Hatteras Financial Corp.

Issue: Say-on-Pay

Reason: The company has failed to link pay with performance. In addition, we have concerns the company has not adequately included performance metrics within the long-term incentive plan.

Vote Result: 60% AGAINST



The Empire District Electric Company

Proposal: Advisory Vote on Golden Parachutes

Reason: Concerns over egregious severance provisions and the use of single-trigger payments.

Vote Result: 64% AGAINST



Diodes Incorporated

Proposal: Say-on-Pay

Reason: The company has failed to link pay with performance and provides limited disclosure of short-term incentive performance goals.

Vote Result: 60% AGAINST



Chevron Corp.

Proposal: Say-on-Pay

Reason: The company has failed to link pay with performance. In addition, we have concerns over the large amount of discretion within the short-term incentive plan.

Vote Result: 46% AGAINST

