The Investment Committee met on December 19, 2016.

The Committee approved the following:

- AGENDA ITEM 5a
  Transmission of the CalPERS Emerging Manager Five-Year Plan annual report to the California Legislature

- AGENDA ITEM 5b
  To extend the tobacco investment restrictions to the externally managed portfolios of publicly traded assets for the Public Employees’ Retirement Fund and the affiliate fund portfolios. The Board instructs staff to exercise prudent timing and methods of implementation of these restrictions.

The Committee received reports on the following topics:

1. An update on the activities and plans for the Responsible Contractor Policy Program, Managers Expectations Pilot, and proxy voting activities.

2. A report on the current initiatives and activities of the Investment Manager Engagement Programs, and

3. A review of the current state of the Investment Office Roadmap and Target Operating Model

The Committee heard public comment on:

- CalPERS’ tobacco restrictions
- The Investment Manager Engagement Programs Update,
- The Responsible Contractor Policy, and
- A labor dispute

At this time I would like to share some highlights of what to expect at the February Investment Committee meeting:

- The CalPERS Trust Level Review, and
- Wilshire’s annual review of CalPERS divestments, and
- An update on CalPERS’ governance and sustainability activities.

The next meeting of the Investment Committee is scheduled for February 13, 2017, in Sacramento, California.