

February 15, 2017

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Investment Committee met on February 13, 2017.

The Committee conducted an election for the Chair and Vice Chair positions:

- Henry Jones was elected as Chair of the Committee, and
- Bill Slaton was elected as Vice Chair of the Committee.

The Committee approved the following:

- AGENDA ITEM 6a
To not retain the legislative guidelines with respect to investment matters, and to clarify that the Board has delegated to the CEO primary responsibility for determining CalPERS' positions on federal bills,
- AGENDA ITEM 8b
To repeal the Statement of Investment Policies for Appraisal of CalPERS Real Estate Interests and Real Estate – Accounting.

The Committee received reports on the following topics:

1. The performance and risk profiles of the Public Employees' Retirement Fund and Affiliate Funds as of December 31st, 2016,
2. A review of CalPERS' divestment activities as of June 30, 2016 by Wilshire Associates Consulting,
3. The first reading of proposed revisions to the Total Fund Investment Policy,
4. An overview of the Corporate Governance Program's work plan for 2017, and
5. Recent developments regarding Assembly Bill 20 (Kalra).

The Chair directed staff to:

- Review opportunities to engage with the companies involved with the Dakota Access Pipeline and return to the Committee with a report on those options

The Committee heard public comment on:

- The Dakota Access Pipeline, and
- CalPERS' ESG strategy

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

1. ESG Asset Class Integration and
2. Global Governance Principles.

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