

June 21, 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 June 19, 2017.

The Committee received reports on the following topics:

- Asset Liability Management: Adoption of Capital Market Assumptions
- Investment Manager Engagement Program
- 2016 CalPERS for California Report
- Sustainable Investment Research Initiative, and
- Federal Investment Policy Representative Update

The Chair directed staff to do the following:

- As part of the asset allocation process:
 - (1) Provide a graphic of capital market return assumptions versus actual returns over varying time frames,
 - (2) Provide the Committee with scenario analysis of the candidate portfolios, and
 - (3) Provide a review of the constraints that might apply to private equity, and how the number of external managers might affect the targeted weight to Private Equity; and
- Provide the Committee with the Principles for Responsible Investment quarterly newsletter and the PRI income inequality discussion paper.

The Committee heard public comment on the following:

- The Investment Manager Engagement Program update,
- Support for Senate Bill 185,
- The CalPERS for California Report, and
- Labor priorities within the Sustainable Investment Research Initiative update.

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

- The first program review of the Trust Level Portfolio Management program,
- The CalPERS Trust Level Review and Consultant Report, and
- A Corporate Governance Update.

The next meeting of the Investment Committee is scheduled for August 14, 2017, in Sacramento, California.