

November 13, 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 as appropriate.

The Investment Committee met on November 13, 2017.

The Committee discussed and approved:

- The Second Reading of the Public Asset Class Investment Policies

The Committee received reports on the following topics:

- The Private Equity and Real Assets Annual Program Reviews
- Consultant Reviews of the Private Equity and Real Assets Programs

The Chair directed staff to do the following:

- Provide a memo detailing the calculations behind the arithmetic and geometric average returns
- Inquire whether Centerpoint made any political contributions

The Committee directed Meketa Investment Group to do the following:

- To work with staff to provide additional background on why CalPERS did not receive requested Private Equity allocations, as well as an evaluation of the current strategy of focusing new Private Equity commitments with the top 30 General Partners.

The Committee heard public comment on:

- The returns and risks of Private Equity investments,
- Support for growing the Private Equity Program,
- Feedback regarding divestment mandates, and
- Changes to the Private Equity benchmark.

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

- A Report to the California Legislature on the CalPERS Emerging Manager Five-Year Plan,
- The Responsible Contractor Policy Program Annual Report,
- Strategic Asset Allocation,
- An update on the Investment Office Roadmap and Target Operating Model, and
- A report from Wilshire Associates Consulting on the impact of current divestments.

The next meeting of the Investment Committee is scheduled for December 18, 2017, in Sacramento, California.