

Fact Sheet CORPORATE GOVERNANCE

California Public Employees' Retirement System • 400 Q Street • Sacramento, California 95814

CalPERS 2007 Focus List Company At-A-Glance

Marsh & McLennan Companies, Inc. (MMC) – New York, New York

Marsh & McLennan Companies, through its subsidiaries, provides professional services worldwide. It has four segments: Risk and Insurance Services, Risk Consulting and Technology, Consulting, and Investment Management.

Market Capitalization: \$16.1 billion

CalPERS' Holdings: \$77.4 million (.5% of outstanding shares)

Total Return Performance for Selected Periods Ending 02/28/2007

Time period ending 2/28/2007	Marsh & McLennan Cos.	S&P 500 Index	Relative to S&P 500 Index	Insurance S&P Industry Peer Index	Relative to Peer Index
5 years	-36.98%	39.05%	-76.03%	29.32%	-66.30%
3 years	-33.95%	29.83%	-63.78%	22.25%	-56.20%
1 year	-2.45%	11.97%	-14.42%	10.09%	-12.54%

Source: FactSet

The Problems:

- Marsh & McLennan's stock has underperformed relative to the S&P 500 and its industry peer index over the 1, 3 and 5 year time periods ending February 28th.
- Would not adopt a policy to require shareowner approval for any future poison pill.
- Would not agree to seek shareowner approval when the present value of an officer's severance exceeds 2.99 times base + bonus.

CalPERS 2007 Shareowner Proposal:

CalPERS seeks shareowner ratification of any severance agreement that provides severance benefits with a total present value exceeding 2.99 times the sum of the officer's base salary plus target bonus.