

# Fact Sheet

## CORPORATE GOVERNANCE

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

### CalPERS 2007 Focus List Company At-A-Glance

**Sara Lee Corporation (SLE)** – Chicago, Illinois

Sara Lee Corporation provides food, beverage, household, and body care products to consumers primarily under Ball Park, Douwe Egberts, Hillshire Farm, Jimmy Dean, Kiwi, Sanex, and Sara Lee brand names worldwide. It offers various packaged meat products, including hot dogs and corn dogs, breakfast sausages and sandwiches, smoked and dinner sausages, deli and luncheon meats, bacon, and cooked and dry hams.

**Market Capitalization:** \$12.2 billion

**CalPERS' Holdings:** \$62.1 million (.5% of outstanding shares)

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

Time period ending 2/28/2007	Sara Lee Corp.	S&P 500 Index	Relative to S&P 500 Index	Food Products S&P Industry Peer Index	Relative to Peer Index
5 years	9.69%	39.05%	-29.36%	53.95%	-44.26%
3 years	-1.54%	29.83%	-31.37%	32.01%	-33.55%
1 year	12.78%	11.97%	0.81%	15.46%	-2.68%

Source: FactSet

### The Problems:

- Sara Lee Corporation's stock has underperformed relative to its industry peer index over the 1, 3 and 5 year time periods ending February 28<sup>th</sup>.
- Shareowners may not amend the bylaws. The company would not agree to amend this egregious provision. Only 4% of companies in the S&P 500 employ such restrictions on shareowner rights.
- Would not agree to seek shareowner approval to remove the supermajority voting requirements that pertain to business combinations, director removal, and shareowners' ability to act by written consent.