



# Investment Committee

## Agenda Item 3c

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**March 17, 2026**

**Item Name:** Proxy Voting and Corporate Engagements Update

**Program:** Global Public Equity/Corporate Governance

**Item Type:** Information Item

### **Executive Summary**

This agenda item provides an update of Global Public Equity's Corporate Governance Program's (Program) proxy voting and corporate engagements work streams. In line with the Total Fund Investment Policy, staff updates the Investment Committee periodically and as such, this update provides details on the progress and activities within these work streams.

### **Strategic Plan**

This agenda item supports the CalPERS Strategic Plan goal of improving long-term pension and health benefits sustainability. The Program aims to improve the risk-return profile of the CalPERS Total Fund by enhancing sustainable value creation through improvement of financial, physical, and human capital management practices at companies owned. Periodic Program updates support the Investment Committee in its oversight capacity.

### **Investment Beliefs**

This item supports the following CalPERS Investment Beliefs:

- Investment Belief 2, regarding the responsibility and advantage of a long-term investment horizon and the sub-beliefs which require that CalPERS encourage companies and external managers to consider the long-term impact of their actions.
- Investment Belief 3, that CalPERS' investment decisions may reflect wider stakeholder views, provided they are consistent with its fiduciary duty to members and beneficiaries.
- Investment Belief 4, that long-term value creation requires effective management of three forms of capital: financial, physical and human.
- Investment Belief 9, that risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error.

### **Background**

The Program seeks good governance practices to ensure that CalPERS funds are being used for the benefit of our members to produce sustainable, long-term, risk adjusted returns to support payment of pension benefits.

## **Analysis**

The Program's activities are guided by the Governance & Sustainability Principles and are executed through the Proxy Voting and Corporate Engagements work streams. This update provides details on the progress and activities during 2025 for the following stewardship priorities:

- CalPERS key proxy votes
- CalPERS votes on common shareowner proposals (with vote support levels)
- Regulatory and market environment
- Stewardship 2025 highlights
- Proxy Voting and climate risk oversight
- 2026 proxy voting guideline updates
- Key issues and priorities for 2026

## **Budget and Fiscal Impacts**

There are currently no additional costs or fees associated with this corporate governance activity.

## **Benefits and Risks**

The Global Public Equity Corporate Governance Program supports CalPERS' fiduciary duty to provide sustainable, risk adjusted returns for its members. The risks relate to not fulfilling Board policies and principles.

## **Attachments**

Attachment 1 – Proxy Voting & Corporate Engagements Update

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### **Charles Hambly**

Investment Director  
Global Public Equity

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### **Simiso Nzima**

Managing Investment Director  
Global Public Equity

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### **Stephen Gilmore**

Chief Investment Office