



California Public Employees' Retirement System
External Affairs Branch • Office of Public Affairs
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Robert Udall Glazier, *Deputy Executive Officer*, External Affairs Branch

Brad Pacheco, *Chief*, Office of Public Affairs
brad_pacheco@calpers.ca.gov

Contact: Wayne Davis, *Information Officer*
(916) 795-3991 phone • PressRoom@calpers.ca.gov

September 13, 2011

FOR IMMEDIATE RELEASE

Investors Urge New Rule on Proxy Access

SEC must continue in the fight to restore accountability, integrity to financial markets

SACRAMENTO, CA – Leaders from some of the world's largest pension funds and institutional investors representing more than \$1.9 trillion today issued the following statement urging the U.S. Securities and Exchange Commission (SEC) to issue new regulations on proxy access, which gives long-term shareowners the right to include their candidate for the Board of Directors on a company ballot.

"The SEC's rule granting shareowners full proxy access was the right rule when it was issued – and it's the right rule today. The merits of proxy access by shareowners have been discussed for several years, but the 2008 financial crisis exposed how complacent many company boards of directors had become, and investors paid a heavy price. We have accumulated far too many examples of unaccountable directors on boards which have ignored shareowner proposals, fallen short of their duty to oversee management and, too often, overcompensated CEOs and senior executives relative to performance results when they failed to deliver shareowner value.

"Giving long-term shareowners with substantial stakes in the company the right to nominate directors would add a powerful tool to keeping boards accountable and companies financially healthy. Investors needed that authority leading up to the downturn – and nothing has changed since then. It is a rule that will help level the playing field in director elections.

"We applaud the SEC's Commissioners for their leadership and hard work over the years in bringing forward rules on the use of the proxy to nominate corporate directors. The decision in July by the District of Columbia Circuit Court of Appeals invalidating the SEC's rule was disappointing. But now is not the time to give up. We strongly urge the SEC to issue new rules on full proxy access and continue its commitment to providing long-term shareowners with the right to have a say in who runs the companies they own. It's a principle whose time has come and one that will further restore accountability, integrity, and order in our financial markets."

List of investors endorsing this statement:

- **APG** – Claudia Kruse, Head of Governance and Sustainability, AUM \$200 billion
- **AustralianSuper** – Peter Curtis, Head of Investment Operations, AUM \$45 billion
- **California Public Employees’ Retirement System** – Anne Stausboll, Chief Executive Officer, AUM \$223 billion
- **California State Teachers’ Retirement System** – Jack Ehnes, Chief Executive Officer, AUM \$142 billion
- **Colorado Public Employees’ Retirement Association** – Meredith Williams, Chief Executive Officer, AUM \$37 billion
- **Connecticut Retirement Plans and Trust Funds** – Denise L. Nappier, Connecticut State Treasurer, AUM \$25 billion
- **New York City Pension Funds** – John C. Liu, New York City Comptroller, AUM \$119 billion
- **New York State Office of the Comptroller** – Thomas P. DiNapoli, New York State Comptroller, AUM \$146.5 billion
- **Norges Bank Investment Management** – Anne Kvam, Global Head of Ownership Policy, AUM \$624 billion
- **North Carolina Department of State Treasurer** – Janet Cowell, State Treasurer, AUM \$74.9 billion
- **Ohio Public Employees Retirement System** – Karen Carraher, Executive Director, AUM \$75 billion
- **PGGM Investments** – Dr. Marcel Jeucken, Managing Director Responsible Investment, AUM \$76.5 billion
- **Universities Superannuation Scheme** – Daniel Summerfield, Co-Head of Responsible Investment, AUM \$50 billion
- **Washington State Investment Board** – Theresa Whitmarsh, Executive Director, AUM \$83 billion

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