



## OPERS' ECONOMIC IMPACT ON OHIO

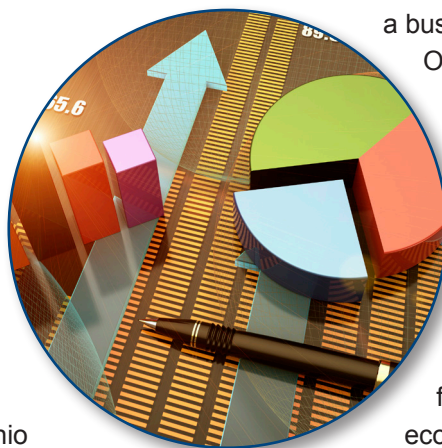
OPERS plays a critical role in supporting and sustaining the state of Ohio. Since 1935, OPERS has provided security and peace of mind to millions of Ohio's retired public workers and their families. OPERS is also a catalyst to Ohio's business economy. In 2013, OPERS paid more than \$6.6 billion in pension benefits and costs for health care coverage to more than 196,000 retired Ohioans and their beneficiaries. More than 90 percent of our retirees live in Ohio spending the vast majority of that money on goods and services in-state, thereby providing a stable foundation for the Ohio economy.

Below are lists of the 10 largest direct and indirect investments in the state of Ohio. Direct investments are measured as the market value of our investment in the securities of companies headquartered in Ohio. Indirect investments are measured as the market value of our investment in the securities of 10 companies with

the largest employment presence in the state, totaling approximately \$800 million. Employment presence is measured by the number of persons employed at a business located in Ohio, as defined by the Ohio Department of Development, Office of Strategic Research. Companies with the largest employment presence in Ohio employed approximately 200,000 people in Ohio.

Ohio-Midwest Fund: Through the creation of, and investment in the Ohio-Midwest Fund, a regional investment program focusing on private equity funds with strong economic ties to Ohio and the Midwest region, OPERS has committed over \$300 million to the program since establishing it in 2005. So far, OPERS has invested in 63 Ohio-based companies.

OPERS remains a powerful economic engine for Ohio through direct benefit payments to Ohio public employee retirees and as a major investor in Ohio's private industry.



### TOP 10 DIRECT INVESTMENTS IN OHIO-BASED COMPANIES

Largest Firms Headquartered in Ohio	Fair Value of OPERS Investment as of 12/31/2014
1. Procter & Gamble Co.	\$180,852,454
2. Kroger Co.	\$24,591,338
3. Keycorp	\$23,359,617
4. Sherwin-Williams Co.	\$12,019,613
5. Cardinal Health Inc.	\$12,004,470
6. DDR Corp.	\$9,298,404
7. Forest City Enterprises, Inc.	\$9,031,136
8. JM Smucker Co.	\$8,990,754
9. DSW Inc.	\$7,717,743
10. Parker Hannifin Corp.	\$7,610,887
<b>TOTAL</b>	<b>\$295,476,416</b>

### THE 10 LARGEST INDIRECT INVESTMENTS IN COMPANIES THAT OPERS HOLDS ARE:

Firms with the largest employer presence	Ohio Employment estimated headcount	Fair Value
1. Wal-Mart Stores, Inc.	49,700	\$103,085,800
2. Kroger Co.	39,000	\$24,591,338
3. JPMorgan Chase & Co.	23,200	\$181,522,427
4. General Electric Co.	15,000	\$189,978,647
5. Honda Motor Co., Ltd.	13,700	\$38,110,206
6. Procter and Gamble Co.	13,300	\$180,852,454
7. United Parcel Service, Inc.	13,050	\$56,972,068
8. Bob Evans Farms Inc.	12,300	\$255,388
9. Sears Holdings Corp.	10,500	\$224,792
10. L Brands Inc.	10,200	\$30,702,228
<b>TOTAL</b>	<b>199,950</b>	<b>\$806,295,348</b>

## The OPERS Corporate Governance Program

In keeping with the organizational mission, “[t]o provide secure retirement benefits for our members,” OPERS’ Board of Trustees and management are committed to protecting the long-term interest of our members by closely monitoring the corporate governance practices of the corporations in which OPERS invests. Corporate governance initiatives can serve to increase disclosure and minimize conflicts-of-interest and disconnections that can occur between boards of directors, management and shareowners as a result of widely dispersed stock ownership of publicly traded companies.

OPERS has a fiduciary duty to exercise its rights and responsibilities as a shareholder and takes this responsibility seriously. As a fiduciary, OPERS exercises its shareowner rights solely in the economic interests of the System’s participants and beneficiaries. Effective corporate governance can foster a culture of corporate integrity, financial accountability, leadership, and long-term strategic goals of growth and profitability. OPERS believes that all companies should strive to create this culture to achieve long-term success in today’s highly competitive economy. The Board operates under a “quiet diplomacy” model and believes that long-term relationships with companies can serve our collective interests well. Corporate governance best practices

*“Effective corporate governance can foster a culture of corporate integrity, financial accountability, leadership, and long-term strategic goals of growth and profitability.”*

can significantly contribute to the long-term financial performance of a company. OPERS incorporates corporate governance criteria to add value to OPERS’ investments. Ultimately, that means OPERS is protecting the retirement futures of its retirees and members by supporting and promoting:

- Activities that ensure management and boards of directors are acting in the best interest of shareowners and in ways that protect OPERS’ assets.
- Corporate accountability, financial transparency and responsibility.
- Governmental policies and regulations that are in the best interest of OPERS.

**Additional information about the OPERS Corporate Governance program can be found on our website: (<https://www.opers.org/about/corporate/index.shtml>). There you will find links to information about our recent Corporate Governance Forum, our Annual Reports, news and letters, as well as additional resources and research on Corporate Governance topics.**

### OPERS Government Relations Team

**Carol Nolan Drake**  
Chief External Affairs Officer – 614-222-0398

**Gordon Gatien**  
Government Relations Officer – 614-222-2924

**Christopher Collins**  
Assistant Government Relations Officer – 614-222-0555

**Deborah McCarthy**  
Assistant Government Relations Officer – 614-222-6466

**Matthew Overturf**  
Assistant Government Relations Officer – 614-225-9030

**Anthony Tedesco-Nichols**  
Assistant Government Relations Officer – 614-222-0381



With \$88.6 billion in assets, OPERS is the largest public pension fund in Ohio and the 11th-largest public pension fund in the United States. OPERS provides retirement, disability and survivor benefits for more than 1 million public employees. OPERS can be found on the web at [OPERS.org](https://www.opers.org).