

Board of Investment Standing Committee Charter Corporate Governance Committee (CGC)

Pursuant to the objectives, powers, and responsibilities enumerated in LACERA's Board of Investments' Charter, By-laws, Investment Policy Statement, and Powers Reserved and Delegated Authorities, the Board of Investment has established a standing Corporate Governance Committee (CGC) to oversee and monitor LACERA's policies and overall plan of execution in corporate governance and stewardship activities.

A. Purpose

The CGC recommends policies and exercises oversight related to corporate governance, proxy voting, and related investment stewardship initiatives.

The CGC strives to promote LACERA's corporate governance interests by communicating and/or coordinating with other relevant parties including, but not limited to, corporate governance advocacy organizations, regulatory agencies, proxy advisors, corporate boards of directors and management of portfolio holdings, investment managers, and other pension funds.

B. Responsibilities

The CGC will review all policy and program issues related to corporate governance.

Each of the following responsibilities is assigned to the Committee.

- Develop and recommend Board approval of adoption and amendments to policies addressing proxy voting, such as the Corporate Governance and Stewardship Principles, and oversee proxy voting.
- Develop and recommend Board approval of adoption and amendments to policies and procedures for corporate governance matters, including the Corporate Governance and Stewardship Principles, and execute the responsibilities described therein.
- Develop and recommend Board approval of revisions to LACERA's Investment Policy Statement as it pertains to corporate governance and proxy voting.
- Support the Board of Investments and any committees thereof in the development of approaches, policies, or programs for responsible or sustainable investing.
- Undertake any matters defined in the Purpose section of this document.
- Perform any other duties that may be assigned to it by the Board.

- Regularly report to the Board on its activities, through initiatives advanced for Board consideration, production of meeting minutes, and oral reports.

C. Composition

The Board Chair will appoint four CGC members and one alternate from the current members of the Board of Investments to a one-year term and designate the Committee's Chair and Vice Chair. The Board Chair will consider continuity of service when selecting members for the Committee so that development of expertise and familiarity with the subject matter is encouraged and to benefit Committee goals.

The CGC Chair will be responsible for setting meeting dates and agendas. The Chief Investment Officer (CIO) will assign senior LACERA investment officers to liaise with the CGC. The CIO and designated investment officers will assist in performing the CGC's duties. LACERA's general consultant will be invited to participate in Committee meetings.

Board members who are not Committee members may attend and participate in a Committee meeting but may not vote on any matter discussed at the meeting nor make or second motions. The alternate can participate in meetings and make or second motions but may only vote in the absence of at least one Committee member. In the event five or more members of the Board (including members appointed to the Committee) are in attendance, the meeting will constitute a joint meeting of the Committee and the Board. Meeting agendas will be noticed as joint meetings of the committee and Board.

D. Meetings

Unless otherwise announced, Committee meetings will be held on the same day as Board meetings, either immediately before or after the Board meeting. The Committee aims to meet at least twice per year, consistent with Board action regarding committee scheduling approved in November 2018. Meetings will be scheduled in consultation between the Committee Chair and designated staff, taking into consideration core Committee responsibilities and objectives, the Board of Investments strategic plans, and the Board of Investments meeting schedule. Unless otherwise announced, CGC meetings will be held at 300 N. Lake Avenue in the LACERA Board Room.

E. Compliance with the Ralph M. Brown Act

The CGC is subject to the Brown Act and, in all respects, will comply with its requirements.

F. Self-Evaluation

This Charter shall be reviewed and amended at least every three years, as appropriate.

G. History

Established as Corporate Governance Committee Policy Statement May 27, 2009
Revised and Restated as Corporate Governance Committee Charter August 9,
2017
Revised November 9, 2022