

TEACHERS' RETIREMENT BOARD
CORPORATE GOVERNANCE COMMITTEE CHARTER

INTRODUCTION

The Committee is charged with the review of CalSTRS corporate governance policies and will recommend any changes or modifications thereto.

AUTHORITY

To provide oversight to the System's Corporate Governance strategy and to direct the program.

To develop recommendations for the Board related to the System's Corporate Governance program and policies necessary for effectively administering the Corporate Governance program.

All Committee actions must be ratified or adopted by the Investment Committee or the Board as described below.

COMPOSITION

The Committee shall consist of a minimum of five (5) members appointed by the Chairperson of the Teachers' Retirement Board.

MEETINGS

The Committee will meet on an as-needed basis as determined by the Committee Chair in consultation with the Chair of the Investment Committee and the Chair of the Board, but no less than once per quarter.

RESPONSIBILITIES

The Corporate Governance Committee shall perform the following tasks:

1. Review and make recommendations regarding corporate governance policies for the California State Teachers' Retirement System;
2. Receive reports from staff on the status of current proxy votes, engagement, promoting best practices, public policy work and coalitions with other shareholders, and action taken on votes which fell outside existing guidelines and previously established policy;
3. Review and approve the Annual Corporate Governance Business Plan;

4. Report on the activities of our various membership and coalition organizations including the Council of Institutional Investors (CII), International Corporate Governance Network (ICGN) and the Asian Corporate Governance Association (ACGA);
5. Report to the Investment Committee on all activities related to Investments including but not limited to activists managers, merger and acquisition votes, proxy votes, portfolio company engagements and securities litigation;
6. Perform such other duties as assigned by the Investment Committee or the Board.

Amended May 6, 2004

Amended February 7, 2008

Amended November 5, 2009

Amended, June 3, 2010, to further define the scope of activities with outside organizations.