

Strategic Measures – Under Development

Goal	Objective	Title	Data Point
Member Experience	Provide timely response and appropriate action to inquiries	Customer Inquiry Timeliness	Percentage of inquiries responded to within service level timeframes
Pension Sustainability	Mitigate the risk of significant investment loss while balancing contributions levels and volatility	Employer contribution rates	Informational
Pension Sustainability	Integrate sustainable investment strategies	Percentage of diverse managers	Identify diverse firms in the portfolio (defined percentage of ownership/management that are women or under-represented groups). Metrics will also include other measures of diversity of the workforce in addition to ownership interest, including incentive sharing, levels of participation in investment decision making, compensation, hiring and a review of relevant policies and programs.

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Pension Sustainability	Integrate sustainable investment strategies	Human capital management	<ul style="list-style-type: none"> • Promote greater diversity of Corporate Board Members at public companies (% women/under-represented) • Promote greater diversity of the workforce of public companies (% women/under-represented) • Work-related injuries over total workdays • Elevate the focus on % of turnover at portfolio companies • % of RCP manager compliance • Upgrade data and corporate reporting on workforce cost • Serve in leadership of the Human Capital Management Coalition and promote the consistent priorities

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Pension Sustainability	Integrate sustainable investment strategies	Just transition to net zero by 2050	<ul style="list-style-type: none"> • \$ invested in climate solutions across CalPERS total fund • CalPERS Global Equity portfolio carbon intensity % reduction • % of Private Equity portfolio with renewable energy use • % of Private Equity portfolio reporting GHG emissions
Pension Sustainability	Integrate sustainable investment strategies	Financial markets policy	<ul style="list-style-type: none"> • Promote the disclosure of labor costs in financial statements under US GAAP • Advance enhanced human capital reporting requirements by the SEC • Engage the IFRS Foundation in the formation and promotion of the International Sustainability Standards Board and initiate corresponding momentum for sustainability reporting in the US • Engage SEC and CFTC on market structure issues impacting our portfolio • Actively work with partners CII, ICGN, Healthy Markets to produce greater transparency in disclosures to enhance long-term performance

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Pension Sustainability	Integrate sustainable investment strategies	Private assets data transparency	<ul style="list-style-type: none"> • GHG Emissions • Renewable Energy • Diversity of Board Members (% women/under-represented) • Work-related injuries (injuries, fatalities, days lost due to injury) • Net new hires • Employee engagement (employee survey/response)
Exceptional Health Care	Ensure all members receive equitable health care	Achieving health equity	Health Equity Index report (specific data to be determined)
Stakeholder Engagement	Educate and engage stakeholders on system impacts including policy and program changes, risks, and mitigations	Stakeholder perception survey – participation	Survey response rate
Organizational Excellence	Improve processes, operations, and advance technologies to gain efficiencies	Administrative operating costs	<ul style="list-style-type: none"> • Administrative budget • Overhead operational cost

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Organizational Excellence	Improve processes, operations, and advance technologies to gain efficiencies	Operational efficiencies	<ul style="list-style-type: none"> • Cost savings • Process improvement • Operational efficiencies realized from the allocation of resources
Organizational Excellence	Improve processes, operations, and advance technologies to gain efficiencies	Cost advantaged vs. peers	CalPERS excess cost/savings
Organizational Excellence	Cultivate compliance and risk functions throughout the enterprise	Risk management effectiveness	<ul style="list-style-type: none"> • Risk Incident Reporting process • Implementation and utilization of internal controls
Organizational Excellence	Cultivate compliance and risk functions throughout the enterprise	Organizational compliance effectiveness	<ul style="list-style-type: none"> • Form 700 completion rate • Trading violations • Mandatory training completion rate
Organizational Excellence	Recruit and retain diverse talent	Candidate pool outreach	Utilization of outreach channels
Organizational Excellence	Recruit and retain diverse talent	Participation and results of onboarding survey	Onboarding survey results - Aggregate of Candidate Experience section of new onboarding survey

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Organizational Excellence	Recruit and retain diverse talent	Participation and results of exit survey	Exit Survey results - Net promoter score, Potentially adding additional questions to utilize
Organizational Excellence	Recruit and retain diverse talent	Workforce demographics	Annual demographic reporting
Organizational Excellence	Recruit and retain diverse talent	Employee development	<ul style="list-style-type: none"> • Training and development data from the DE&I annual report • Trends on participation in employee development programs such as Emerging Leader Program, Upward Mobility, APEX
Organizational Excellence	Enhance team member engagement and employee experience	Team member engagement	Overall engagement score
Organizational Excellence	Enhance team member engagement and employee experience	Net promoter score	Employee engagement survey
Organizational Excellence	Integrate and sustain leadership competencies to promote behaviors that retain and engage a high-performing workforce	CalPERS leadership competencies	Leadership competencies evaluation reporting

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Goal	Objective	Title	Data Point
Organizational Excellence	Cultivate Diversity, Equity, & Inclusion through culture, talent, investments, health equity, and supplier diversity	Team member participation and engagement	Employee Resource Group meeting attendance, DE&I event attendance
Organizational Excellence	Cultivate Diversity, Equity, & Inclusion through culture, talent, investments, health equity, and supplier diversity	Diversity of supplier pool	Participation in supplier pool survey and size of supplier pool