
April 19, 2016**Item Name:** Diversity & Inclusion: Evidence on Corporate Performance**Program:** Global Governance**Item Type:** Information**Executive Summary**

This presentation has been prepared by Dr. Akosua Barthwell Evans, CEO, The Barthwell Group, and Julia Dawson, Managing Director, Credit Suisse in order to present data and analysis on the impact of diversity on business performance.

Julia Dawson is a Managing Director of Credit Suisse in the Equities division, based in London. She is responsible for Environmental, Social and Governance (ESG) and Thematic research.

Ms. Dawson joined Credit Suisse in April 2014 through the Real Returns program. Previously, she was Head of International Equity Sales at Alfa Bank (Russia) between 2008 and 2010. Prior to that, she worked at Deutsche Bank for six years where she was a Managing Director and Head of Emerging European equity sales. She began her career at Barings Securities in equity research and was Head of Russian Research from 1994 to 1999. Ms. Dawson holds a B.Sc. (Econ) degree in Economics and Russian Studies from the London School of Economics and an MBA from INSEAD.

Dr. Akosua Barthwell Evans is the Founder and Chief Executive Officer of The Barthwell Group. Prior to launching The Barthwell Group, Dr. Evans was an accomplished banker, lawyer, and management consultant.

As a Managing Director at JPMorgan, Dr. Evans developed, launched, and managed two national businesses: Diversified Client Services (which successfully increased the number of diverse high net worth individuals and organizations in the Private Bank) and the Endowments and Foundations Practice (which built an asset management business for not-for-profits with endowments exceeding \$400 million). In addition to her professional responsibilities while at JPMorgan, Dr. Evans developed a Financial Management Institute for the CEOs of Historically Black Colleges and Universities (“HBCUs”). Dr. Evans attained five securities licenses while at JP Morgan.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan goals of improving long-term pension benefits sustainability and actively managing business risks with an enterprise-wide view.

Investment Beliefs

This agenda item supports the CalPERS Investment Beliefs:

1. Investment Belief 3: CalPERS investment decisions may reflect wider stakeholder views, provided they are consistent with its fiduciary duty to members and beneficiaries.
2. Investment Belief 4: Long-term value creation requires effective management of three forms of capital: financial, physical and human.

CalPERS may engage investee companies and external managers on their governance and sustainability issues, including governance practices, risk management practices, human capital practices, and environmental practices.

3. Investment Belief 7: CalPERS will take risk only where we have a strong belief we will be rewarded for it. An expectation of a return premium is required to take risks; CalPERS aims to maximize return for the risk taken.
4. Investment Belief 8: Costs matter and need to be effectively managed.
5. Investment Belief 9: Risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error.
6. Investment Belief 10: Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives. Diversity of talent (including a broad range of education, experience, perspectives and skills) at all levels (Board, staff, external managers, corporate boards) is important.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Focusing on diversity and inclusion is consistent with CalPERS Investment Beliefs and Principles of Global Governance.

Attachments

Attachment 1 – Diversity & Inclusion: Evidence on Corporate Performance Presentation

Anne Simpson
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Global Governance

Dan Bienvenue
Managing Investment Director
Global Equity

Theodore Eliopoulos
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