

CalPERS Enterprise Risk Profile

Enterprise Risk Profile						
Risk	Owner	Oversight			Rating	
Compliance	Chief Financial Officer	Risk and Audit Committee				
Business Objective	To adhere to our fiduciary responsibility and promote a culture of compliance and ethics by complying with all applicable laws, regulations, and policies.					
Risk Statement	Failure to comply with laws, regulations, and policies may result in penalties, loss of delegated authority, and compromises CalPERS credibility.					
Risk Drivers			Mitigation Efforts and Controls In Place			
Knowledge of applicable laws and rules			Education and communication on central laws and rules Embedded compliance- inventory of existing laws/ rules, and embedded compliance ownership			
Ethical culture and behaviors			Established core values and ethics policies/ laws			
Compliance with laws, rules, and policies			Compliance monitoring, reporting, escalation, and triage of issues			
Clarity of roles and responsibilities, and policies			Policy and delegation management framework and standards			
Potential fraud			Whistleblower ethics helpline, process to investigate issues			
Internal Controls and Systems			Integrated Assurance			
Residual Risk			Probability	Impact	Velocity	Rating
Future Mitigation Efforts						
1. Expanded education and communication about all applicable laws and how to satisfy them expanded inventory on existing laws/ rules						
2. Develop code of conduct and promote culture of compliance						
3. Expand compliance monitoring, reporting and escalation image firms						
4. Expand policy and delegation management framework implementation						
5. Continue to mitigate and respond to whistleblower incidents						