









RISK CATEGORY / RISK STATEMENT		16/17	17/18	COMMENTS
High Impact High Probability	 INFORMATION SECURITY DEO, OPT, Finance & Administration Committee Failure to protect and secure information assets.			<ul style="list-style-type: none"> Scoring results remain the same.
	 BUSINESS CONTINUITY DEO, OPT Finance & Administration Committee Inability to recover timely and resume business functions following a business interruption event.			<ul style="list-style-type: none"> Scoring results remain the same.
High Impact Low Probability	 INTERNAL GOVERNANCE AND CONTROL ENVIRONMENT CCO, CFO Risk & Audit Committee Lack of a strong internal control environment could result in loss of authority or reputation, and/or incurred penalties.			<ul style="list-style-type: none"> Title was changed to Internal Governance and Control Environment Decrease in the level of impact due to materiality.
	 PENSION FUNDING CFO, Chief Actuary, CIO Finance & Administration Committee, Investment Committee Failure to meet benefit obligations to current and future members and beneficiaries.			<ul style="list-style-type: none"> Decrease in the level of impact due to methodologies used.
	 HEALTH CARE ADMINISTRATION DEO, BPPP Pension & Health Benefits Committee Inability to offer high quality, accessible, and affordable health care at a competitive price.			<ul style="list-style-type: none"> Impact increased due to materiality and the rise of inherent risk concerning political uncertainty within the health insurance markets.
	 STAKEHOLDER CONFIDENCE DEO, CSR Finance & Administration Committee Inability to maintain stakeholder confidence in CalPERS as a trusted fiduciary.			<ul style="list-style-type: none"> Scoring results remain the same.
	 TALENT MANAGEMENT DEO, OPT Performance, Compensation, & Talent Management Committee Current workforce is unable to support and execute the core mission and strategic objectives of the Enterprise.			<ul style="list-style-type: none"> Revised risk statement focuses on efforts to fill critical positions and reviewing the overall workforce skillset. Increase in the level of impact due to materiality.
Low Impact Low Probability	 BENEFIT ADMINISTRATION DEO, CSS Pension & Health Benefits Committee CalPERS members, retirees, and beneficiaries may not receive timely and/or accurate benefits.			<ul style="list-style-type: none"> Scoring results remain the same.