Expanding Diversity & Inclusion (D&I) at CalPERS
February 21, 2019
Renewed Focus on D&I

- Increase engagement of leaders and team members
- Expand education to increase awareness and understanding
- Integrate best practices
Focus Areas

- Talent Management
- Education
- Communication
Measuring our Success

Method: Enterprise-wide survey

Strategic Measure: Workforce Diversity & Inclusion

Baseline: 66% of team members

Target: Increase D&I engagement scores to 8% by 2022

Threshold: Over target of 1.6% annually
D&I Accomplishments

• Implement the Enterprise D&I Strategy to increased collaboration, communication, and engagement across the enterprise to increase engagement.

• Conducted Employee Engagement Survey and increased CalPERS D&I Strategic Measure by 1.7 percent over the target of 1.6 percent annual goal.

• Conducted workshops and presentations to over 40 teams, including the Senior Leadership Council and as a result senior leader engagement increased with employee resource groups efforts.
Corporate Boards Diversity Accomplishments

Corporate Boards
• Made progress in improving corporate board diversity, with 30 percent of companies engaged adding a diverse director to their boards (151 of 504 companies).

Diverse Director Datasource (3D)
• 25 directors from the 3D talent pool have been appointed to public corporate boards since January 2017. CalPERS is a co-founder of 3D, which focuses on providing a pool of diverse talent for companies looking for skilled individuals to serve as board members.
Corporate Boards Diversity Accomplishments

Securities and Exchange Commission Petition on Diversity Disclosure

• Submitted a petition to the Securities and Exchange Commission in 2015 to strengthen Corporate Board diversity disclosure and, along with external partners, continues to advocate for it.

• In July of 2017, as part of the Human Capital Management Coalition submitted a petition to the Securities and Exchange Commission to strengthen Human Capital Management disclosure along with strategic partners who continue to advocate.
Supplier Diversity Accomplishments

• Continued commitment to award 3 percent of all contracts to Disabled Veteran Business Enterprise (DVBE) businesses and 25 percent to Small Business/Micro Business.

• Achieved a 3.09 percent DVBE participation level, an increase of .30 percent over last year of 2.79 percent; and a 25.04 percent SB/MB participation level, an increase of 5.86 percent over last year’s number of 19.18 percent.

• Increased efforts include SB/DVBE advocate’s participation in bidder conference, networking with DVBEs, internal department training, and DVBE compliance monitoring.
Talent Management Accomplishments

• Attended a variety of outreach events to create a diverse talent pool.

• Participated in the Limited-Examination and Appointment Program.

• Leveraged our social media presence by advertising job openings on various sites, such as LinkedIn, TOIGO Foundation, Twitter, and Facebook.
Expanding Diversity & Inclusion at CalPERS

Enterprise Workforce

- Native American
- Hispanic
- Black
- Filipino
- Asian
- Pacific Islander
- Other
- Unknown
- Two or more

* Source: SCO MIRS as of July 1, 2018
### Expanding Diversity & Inclusion at CalPERS

#### Ethnicity by Program

<table>
<thead>
<tr>
<th>Category</th>
<th>ACTO</th>
<th>BSU</th>
<th>CSR</th>
<th>CSS</th>
<th>ECOM</th>
<th>EXEO*</th>
<th>FINO</th>
<th>GCO</th>
<th>HPBB</th>
<th>INVO</th>
<th>OPT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WHITE</strong></td>
<td>48%</td>
<td>66%</td>
<td>63%</td>
<td>40%</td>
<td>61%</td>
<td>80%</td>
<td>36%</td>
<td>55%</td>
<td>35%</td>
<td>52%</td>
<td>43%</td>
</tr>
<tr>
<td>Unknown</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Two or more races</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>PACIFIC ISL</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>OTHER</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>4%</td>
<td>0%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>HISPANIC</td>
<td>3%</td>
<td>17%</td>
<td>12%</td>
<td>22%</td>
<td>4%</td>
<td>0%</td>
<td>9%</td>
<td>13%</td>
<td>20%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>FILIPINO</td>
<td>10%</td>
<td>0%</td>
<td>6%</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>6%</td>
<td>6%</td>
<td>7%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>BLACK</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>12%</td>
<td>13%</td>
<td>10%</td>
<td>8%</td>
<td>7%</td>
<td>12%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>ASIAN</td>
<td>37%</td>
<td>17%</td>
<td>14%</td>
<td>16%</td>
<td>13%</td>
<td>0%</td>
<td>34%</td>
<td>17%</td>
<td>20%</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>AMER INDIAN</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

* Source: SCO MIRS as of July 1, 2018
Expanding Diversity & Inclusion at CalPERS

Senior Leaders

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native American</td>
<td>0%</td>
</tr>
<tr>
<td>Asian</td>
<td>19%</td>
</tr>
<tr>
<td>Black</td>
<td>4%</td>
</tr>
<tr>
<td>Filipino</td>
<td>2%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>10%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>0%</td>
</tr>
<tr>
<td>White</td>
<td>63%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
<tr>
<td>Unknown</td>
<td>0%</td>
</tr>
</tbody>
</table>

• Source: SCO MIRS as of July 1, 2018
• Senior Leader: SSM III, DCs.
**Team Leaders**

- Native American: 0%
- Asian: 15%
- Black: 9%
- Filipino: 3%
- Hispanic: 14%
- Pacific Islander: 1%
- White: 53%
- Other: 5%
- Unknown: 0%

*Source: SCO MIRS as of July 1, 2018*

*Team Leader: SSM I/II.*
Team Members

<table>
<thead>
<tr>
<th></th>
<th>Rank &amp; File</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native American</td>
<td>0%</td>
</tr>
<tr>
<td>Asian</td>
<td>24%</td>
</tr>
<tr>
<td>Black</td>
<td>10%</td>
</tr>
<tr>
<td>Filipino</td>
<td>5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>16%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>1%</td>
</tr>
<tr>
<td>White</td>
<td>40%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
<tr>
<td>Unknown</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: SCO MIRS as of July 1, 2018
Gender Demographics

- Source: SCO MIRS as of July 1, 2018
- Executive: DEO and above. Senior Leader: SSM III, DCs. Team Leader: SSM I/II.
Gender by Branch

* Source: SCO MIRS as of July 1, 2018
Generational Demographics

Traditionalists (1925-1945)
- 2017-18: 2
- 2016-17: 2

Baby Boomers (1946-1964)
- 2017-18: 598
- 2016-17: 649

Generation X (1965-1981)
- 2017-18: 1286
- 2016-17: 1290

Millennials (1982-2004)
- 2017-18: 898
- 2016-17: 857

* Source: SCO MIRS as of July 1, 2018
Next Steps

• On track to increase engagement goal of 8% by 2022.
• Implement best practices for hiring and capturing self-identifying data.
• Develop enterprise steering committee for D&I initiatives.
• Collaborate with CalSTRS to develop content and host the 2019 CalPERS & CalSTRS Diversity Forum on June 10\textsuperscript{th} & 11\textsuperscript{th}.

CalPERS