

Transparency Report

As of June 30, 2022



Letter from the CEO



I am pleased to present the first California Public Employees' Retirement System (CalPERS) Transparency Report, for fiscal year 2021-22. This report was designed for our stakeholders as a way to communicate our financial status at a glance and provide transparency and accountability.

The CalPERS Transparency Report will be produced annually in conjunction with the Annual Comprehensive Financial Report (ACFR). We understand that the ACFR is lengthy and technical. The transparency report is designed to breakdown the technical information and provide information in an easy to read and understand format with charts, graphs, and infographic images. The report is an overview about the Public Employees' Retirement Fund (PERF) on our investments and sustainability efforts, membership and funded ratio status, diversity and inclusion efforts, and on our organizational activities, demographics and outreach efforts.

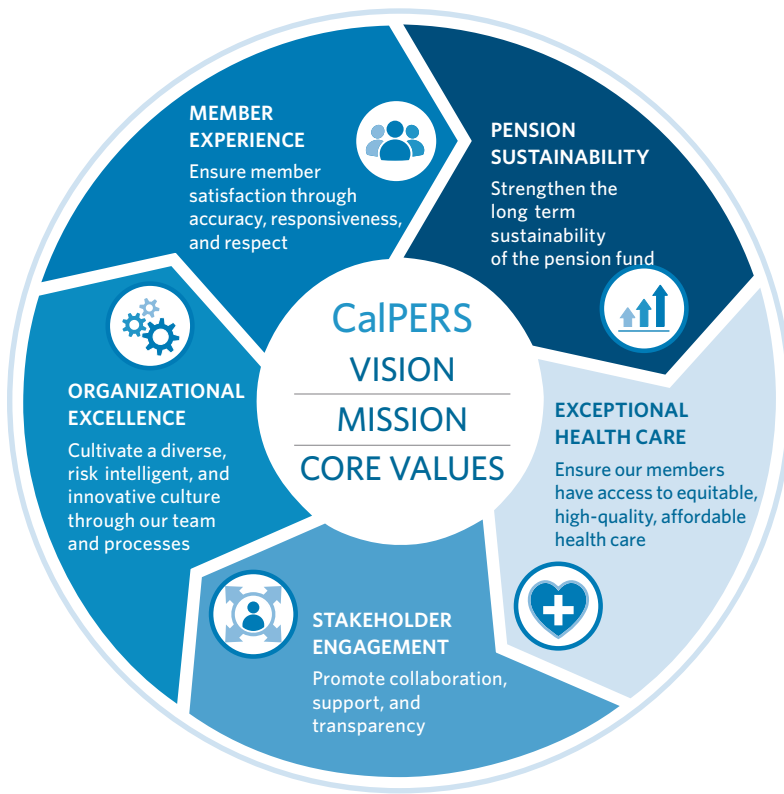
This report continues to promote our core value of openness, where we encourage a trusting environment by being genuine and transparent through our actions and communications. We hope you find the transparency report helpful and informative; we look forward to your feedback.

– Marcie Frost, CEO

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Mission, Vision, Values & Strategic Plan



Our Mission is to deliver retirement and health care benefits to members and their beneficiaries.

Our Vision is to be a respected partner, providing a sustainable retirement system and health care program for those who serve California.

Our Core Values Quality, Respect, Accountability, Integrity, Openness, Balance guide us in our work and are woven into the fabric of our daily interaction with our members, employers, and each other.

CalPERS is about people.

It's about the dedicated individuals who serve, or have served, California at the state, regional, and local level through a career in public service. For more than nine decades, CalPERS has built retirement and health security for these public servants.

2022-27 | Strategic Plan

Member Experience: Ensure member satisfaction through accuracy, responsiveness, and respect

Pension Sustainability: Strengthen the long-term sustainability of the pension fund

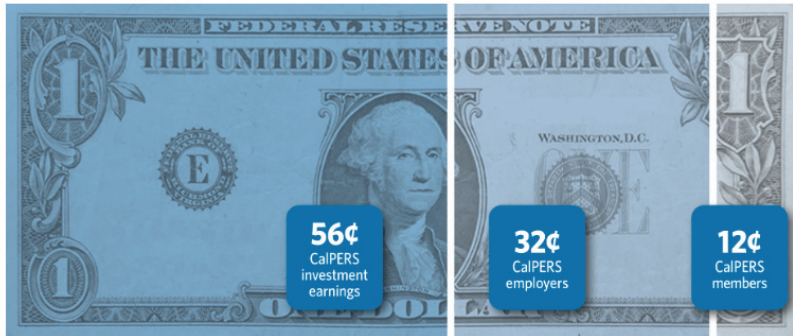
Exceptional Health Care: Ensure our members have access to equitable, high-quality, affordable health care

Stakeholder Engagement: Promote collaboration, support, and transparency

Organizational Excellence: Cultivate a diverse, risk-intelligent, and innovative culture through our team and processes

Facts at a Glance

Shared Responsibility

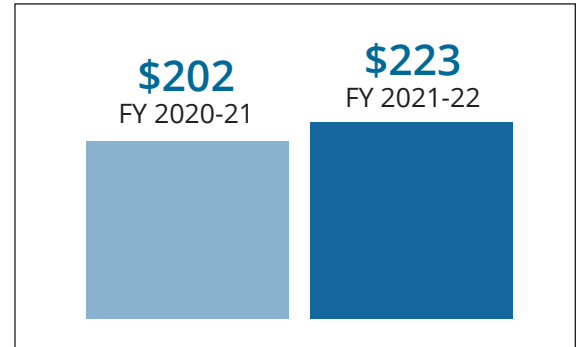


Every dollar paid to CalPERS retirees comes from three sources.*

* Income over the last 20 years.

Total Pension Administration Cost

Per Active Member/Annuitant



**CalPERS is the Nation's
Largest Public Pension Fund.**

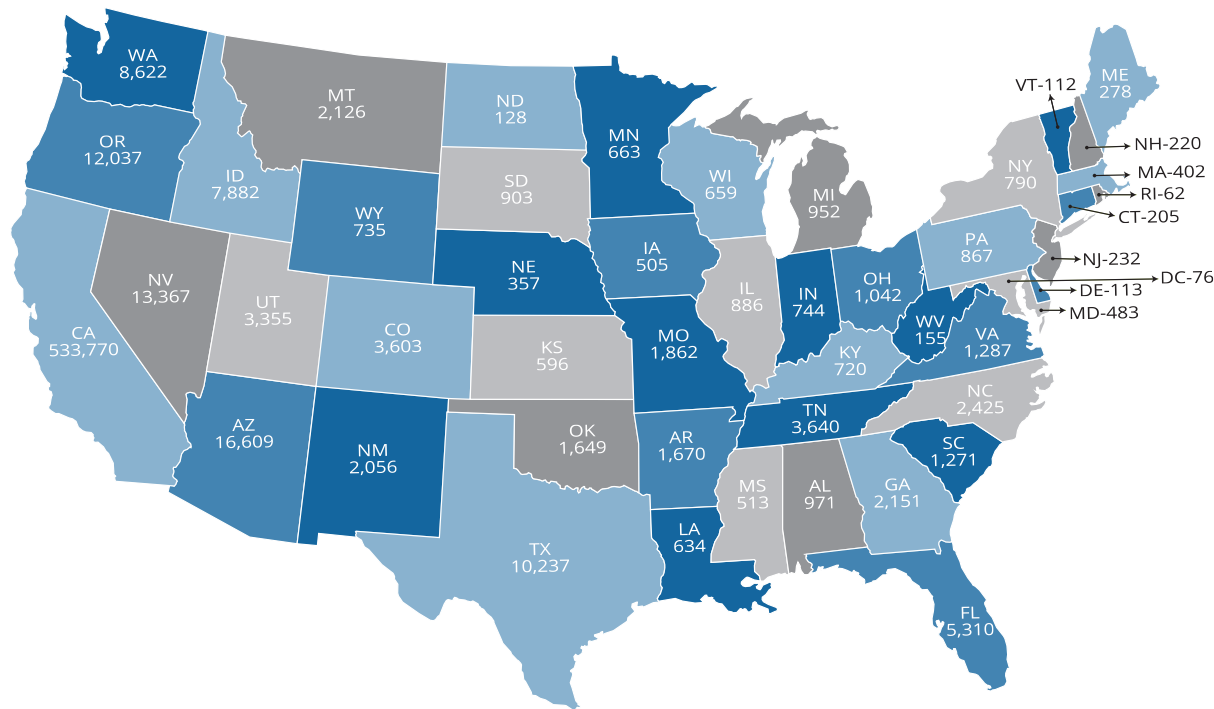
Where We Stand

\$439.4 billion	Net Position (PERF)	(6.1)%	Net time-weighted rate of return (PERF)
2 million+	Members	2,892	Contracted employers
1.5 million	Total covered lives (health)	81.2%	Funded as of June 30, 2021 (PERF)
775,000+	Retirees & Beneficiaries	72%	Estimated funded as of June 30, 2022 (PERF)
\$29.1 billion	Annual pension benefit payments (PERF)	\$53.7 billion	Invested in California Based Companies & Projects

Facts at a Glance

653,518
Total Benefit Recipients*

Benefit Recipients by Location



Benefit Recipients Outside the Continental United States**

Alaska	313
Armed Forces Pacific.10
Guam13
Hawaii.1,777
Out of Country.1,372
Puerto Rico64
Virgin Islands18

* CalPERS pension data as of June 30, 2022

** Redacted due to small counts (included in total):
Armed Forces Americas (except Canada), Armed
Forces Africa, Armed Forces Canada, Armed Forces
Europe; Armed Forces Middle East, American Samoa,
and Northern Mariana Islands.

Financial

Assets (Public Employees' Retirement Fund)

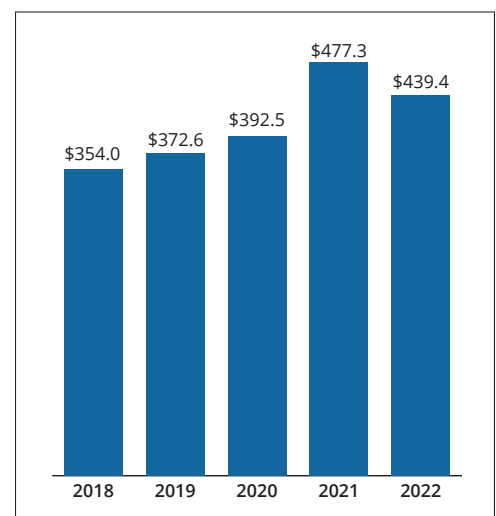
Net Position- PERF (dollars in thousands) (As of June 30, 2022)

	2022 PERF Total	2021 PERF Total	Increase/(Decrease)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Cash & Cash Equivalents	\$ 726,324	\$ 1,072,757	\$ (346,433)
Receivables	12,497,049	4,564,537	7,932,512
Investments	444,024,950	485,218,056	(41,193,106)
Securities Lending Collateral	14,303,670	3,350,881	10,952,789
Capital Assets, Net & Other Assets	238,588	259,711	(21,123)
Total Assets	\$ 471,790,581	\$ 494,465,942	\$ (22,675,361)
Deferred Outflows of Resources	117,588	109,917	7,671
Total Assets and Deferred Outflows of Resources	\$ 471,908,169	\$ 494,575,859	\$ (22,667,690)
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Retirement Benefits, Investment Settlement & Other	\$ 17,230,062	\$ 12,798,619	\$ 4,431,443
Net Pension & OPEB Obligation	808,112	1,024,776	(216,664)
Securities Lending Obligations	14,296,470	3,351,059	10,945,411
Total Liabilities	\$ 32,334,644	\$ 17,174,454	\$ 15,160,190
Deferred Inflows of Resources	214,499	78,656	135,843
Total Liabilities and Deferred Inflows of Resources	\$ 32,549,143	\$ 17,253,110	\$ 15,296,033
TOTAL NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 439,359,026	\$ 477,322,749	\$ (37,963,723)

CalPERS Budget (FY 2021-22)

Personal Services	\$ 214,038,000
Consultant & Professional Services	324,541,000
Operating Expenses & Equipment	91,744,000
Other Expenses & Adjustments	41,862,000
Total Administrative Expenses-All Funds	\$ 672,185,000

PERF Net Position (Dollars in Billions)



Financial

Revenues and Expenses

Changes in Net Position- PERF (dollars in thousands) (As of June 30, 2022)

	2022 PERF Total	2021 PERF Total	Increase/(Decrease)
ADDITIONS			
Member Contributions	\$ 5,159,664	\$ 4,757,000	\$ 402,664
Employer Contributions	22,702,547	20,034,757	2,667,790
Net Investment Income (Loss)	(36,182,422)	88,059,909	(124,242,331)
Securities Lending & Other Income	101,861	113,411	(11,550)
Plan-to-Plan Resource Movement	8,335	348,384	(340,049)
Total Additions	\$ (8,210,015)	\$ 113,313,461	\$ (121,523,476)
DEDUCTIONS			
Retirement, Death & Survivor Benefits	\$ 29,118,354	\$ 27,415,194	\$ 1,703,160
Refund of Contributions	329,555	287,556	41,999
Administrative Expenses	297,464	392,119	(94,655)
Plan-to-Plan Resource Movement	8,335	348,384	(340,049)
Total Deductions	\$ 29,753,708	\$ 28,443,253	\$ 1,310,455
INCREASE (DECREASE) IN NET POSITION	\$ (37,963,723)	\$ 84,870,208	\$ (122,833,931)
NET POSITION			
Beginning of Year	\$ 477,322,749	\$ 392,452,541	\$ 84,870,208
End of Year	\$ 439,359,026	\$ 477,322,749	\$ (37,963,723)

Analysis of Income and Contribution Changes from FY 2020-21 to FY 2021-22

\$402,664	\$2,667,790	(\$124,242,331)	\$1,703,160	\$41,999	(\$94,655)
▲	▲	▼	▲	▲	▼
Increased Member Contributions into the PERF	Increased Employer Contributions into the PERF	Investment Loss for 2022 out of the PERF	Increased Benefits Paid out of the PERF	Increased Refund of Contributions	Decreased Administrative Expenses out of the PERF

Contributions, 5-Year Review (in thousands)

	Employer Contributions	Member Contributions	Net Investment Income (Loss)
2021-22	\$22,702,547	\$5,159,664	(\$36,182,422)
2020-21	\$20,034,757	\$4,757,000	\$88,059,909
2019-20	\$22,039,561	\$4,901,000	\$18,516,994
2018-19	\$15,612,678	\$4,664,618	\$22,969,664
2017-18	\$19,917,796*	\$4,415,219	\$27,448,098

* Amount includes an additional \$6 billion dollar contributions by the state.

Investments

For the one-year period ending on June 30, 2022, CalPERS Public Employees' Retirement Fund (PERF) earned a time-weighted return of -6.1 % with the ending fair value of investments at \$444 billion. CalPERS conducts an Asset Liability management (ALM) process every four years. This was completed in November 2021 and resulted in a new board approved asset allocation beginning July 1, 2022.

California Investments

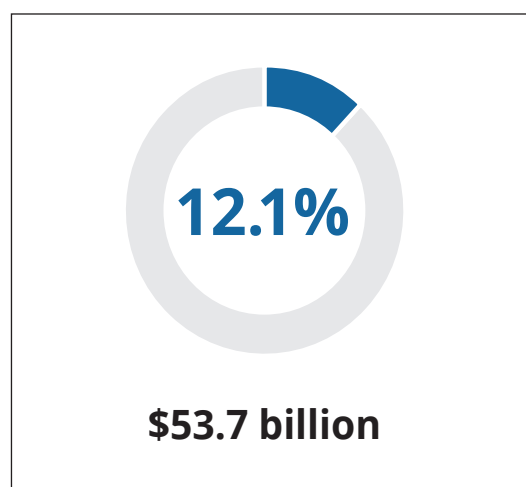
	Fair Value
Total California Investments	\$53.7 billion
Global Equity*	\$23 billion
Fixed Income**	\$6.9 billion
Real Assets***	\$191.1 billion
Private Equity***	\$3.7 billion
Private Debt***	\$853.4 million

* Includes listed public equities corporate bonds.

** Fixed income also includes a portion of MBS and ABS, which have significant geographical exposure to CA and MHLF.

*** As of March 31, 2022

California Investments as a Percentage of the Total Fund



Strategy to Achieve Net Zero by 2050

CalPERS has invested \$40 billion in low-carbon and climate solutions investments (as of December 31, 2021) and is continuing to increase that amount.

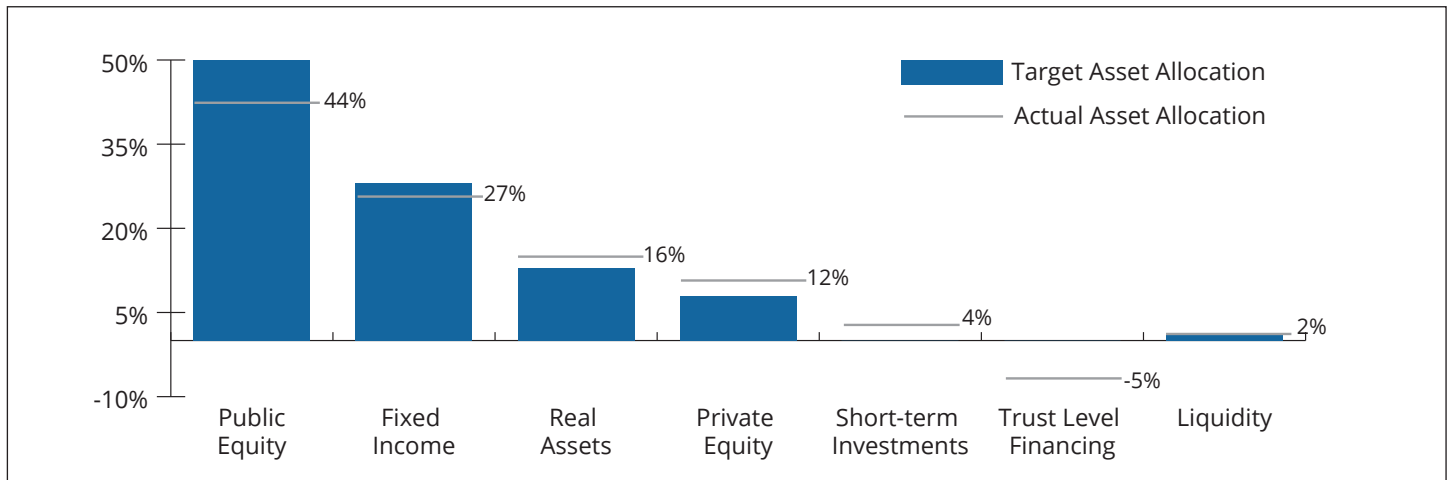
	Global Equity	Global Fixed Income Corporate	Real Estate	Infrastructure
	Invested in low-carbon solutions	Invested in low-carbon solutions	Invested in assets that have sustainability certifications	Invested in renewable energy, energy efficiency infrastructure, sustainability certified, and carbon-neutral assets.
Dec.31, 2021	\$18.9 billion	\$1.2 billion	\$17.9 billion	\$4.7 billion
Dec. 31, 2022	\$12.3 billion	\$1.25 billion	\$19.2 billion	\$6.2 billion
May 1, 2023	\$16.6 billion	\$1.67 billion		

Investments

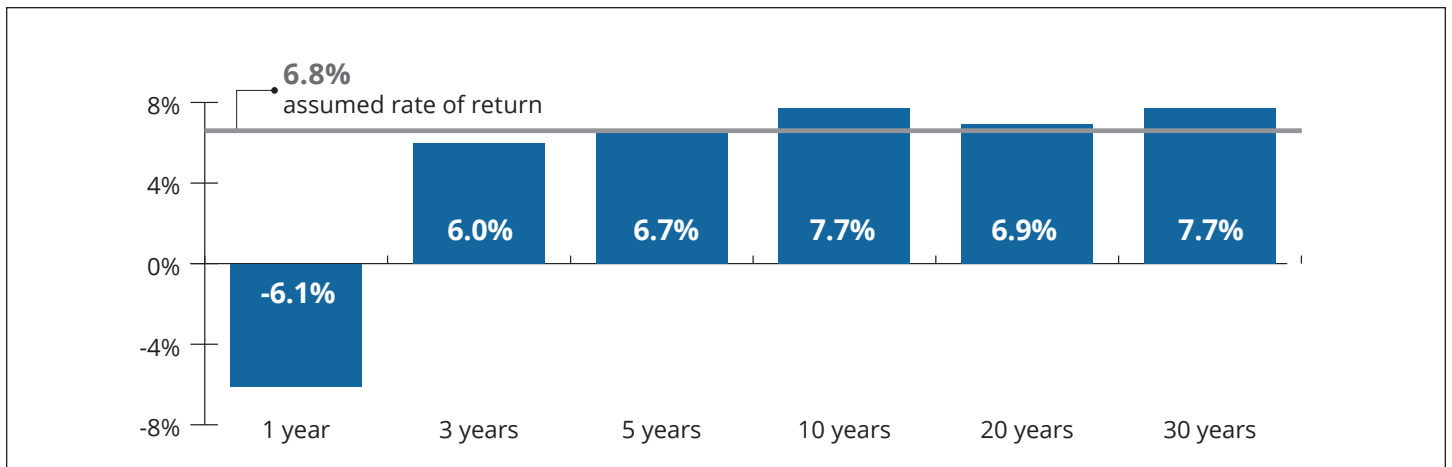
Summary of Investments - PERF (As of June 30, 2022)

	Book Value	Fair Value	Percentage of Investments as Fair Value
Short-Term Investments	\$ 16,405,507	\$ 16,347,263	4%
Public Equity	158,964,774	190,419,760	43
Fixed Income	123,877,711	110,346,016	25
Real Assets	45,696,994	70,674,894	16
Private Equity	46,280,066	49,945,935	11
Private Debt	5,954,078	6,291,082	1
Total Investment Value	\$ 397,179,130	\$ 444,024,950	100%

FY 2021-22 Strategic Asset Allocation (As of June 30, 2022)



Annualized Investment Returns (As of June 30, 2022)*



* Time-weighted rates of return. Reflects private equity and real assets valued as of March 31.

Sustainability and Transparency

CalPERS is what's known as a "universal owner." We own a little of everything across the global financial markets. Because of this, we believe it's in our best interest for that financial market system to be designed to protect investor rights and be as transparent and free from conflicts as possible. By improving the system, we structurally improve the playing field in which pension funds like us invest, which supports the sustainability of our returns.

The Sustainable Investments (SI) Program helps the Investment Office deliver returns through the identification, analysis, and management of high-value sustainable investment risks and opportunities that may affect our investment returns.

The SI team implements this in four ways:

- **Research** to understand how a topic may affect our investments
- **Integration** of environmental, social, and governance (ESG) risks and opportunity considerations into investment decision-making
- **Engagement** with companies and managers to understand, mitigate, and/or manage ESG risks and opportunities
- **Advocacy** with government bodies and standard setters on topics that can affect our returns

Integration

Task-force on
Climate-Related
Financial Disclosure

UN Net-Zero
Assets Owner Alliance

Engagement

Climate Action 100+
Principles for
Responsible Investment
Ceres - Investor Network
on Climate Risk

Advocacy

UN Global Investors
for Sustainable Development

Vatican's Council
for Inclusive Capitalism

We take sustainability seriously at CalPERS. It's woven into the fabric of everything we do, whether it's in our business practices, our buildings or in our investment strategy.

Sustainable Investing

CalPERS actively engages with the companies we own to protect the long-term sustainability of our investment. From issues regarding environmental responsibility to safe labor practices, we keep an open dialog with company leaders and vote our proxies.

8,500+













Number of companies where CalPERS cast proxy votes in 2022 worldwide (calendar year)

Membership

Employers and Members

2,892*	Contracting agencies (5 New contracting agencies • 2 Voluntary pension contract terminations 98.7% of agencies are current on their pension obligations)
884,943	Total Active Members
495,668	Total Inactive/deferred
775,285	Total Retirees and Beneficiaries

* Total excludes counting agency employers twice when they have contracts under more than one plan.

PERF A*	PERF B	PERF C*
State of California 307 Public Agencies	1,335 Pooled School Districts and Charter Schools	1,294 Pooled Public Agencies
 492,589 Active	 341,697 Active	 50,657 Active
 414,633 Retirees	 213,234 Retirees	 42,009 Retirees
 231,798 Inactive/Deferred	 234,230 Inactive/Deferred	 29,640 Inactive/Deferred
 67,227 Beneficiaries	 32,339 Beneficiaries	 5,843 Beneficiaries
1,206,247 Total Members	821,500 Total Members	128,149 Total Members

* Each public agency employer may be counted in both PERF A and PERF C due to active contracts under both plans.

Average Benefit Payments and Years of Service at Retirement

	Years of Service at Retirement for FY 2021-22						
	0-5	6-10	11-15	16-20	21-25	26-30	31+
Average Monthly Pension Payment*	\$702	\$1,078	\$1,991	\$2,859	\$4,134	\$5,982	\$6,480
Average Final Compensation	\$6,889	\$5,716	\$6,268	\$6,677	\$7,630	\$8,896	\$8,571
Number of Recipients	1,596	5,111	6,034	6,432	6,965	5,087	5,418

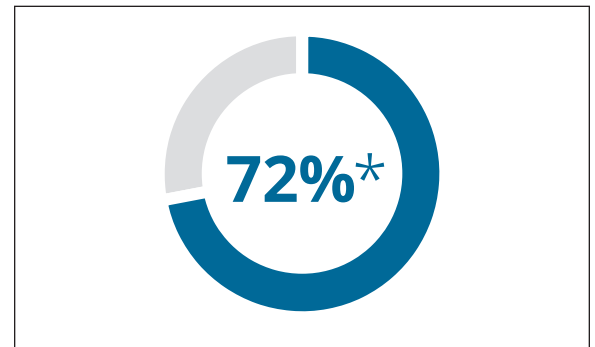
* Retired members only

Actuarial

CalPERS funding objective is to accumulate 100% of the assets that will be needed to pay all the benefits promised to members and beneficiaries.

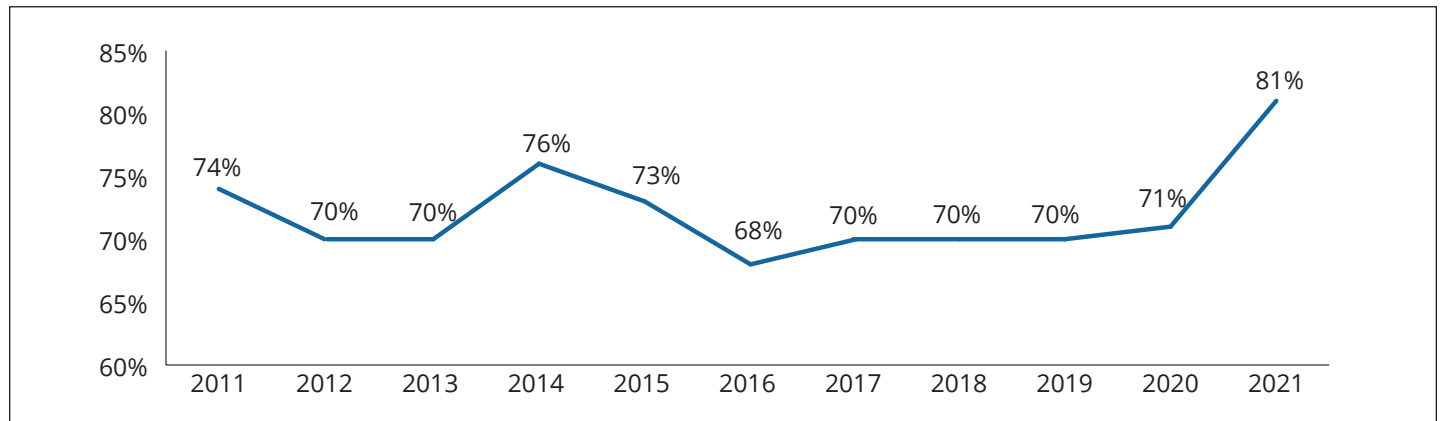
The ultimate cost that a retirement system such as CalPERS incurs is equal to benefits paid plus the expenses resulting from administration and financing. These costs are paid through contributions to the plan and investment returns on the system's assets.

PERF Funded Status (FY 2021-22)



* Estimate

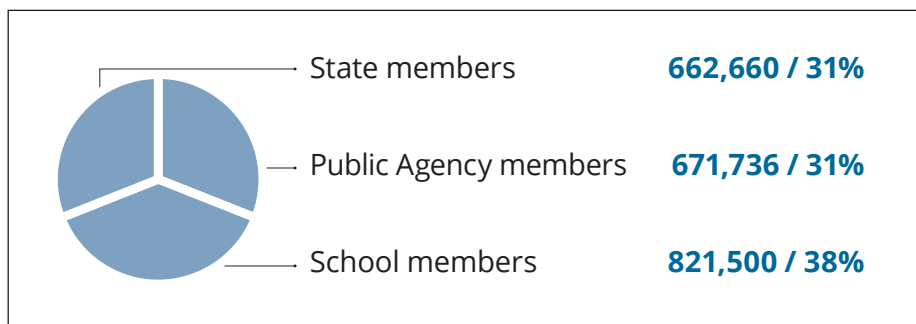
PERF Funded Status as of June 30



Member Statistics (As of June 30, 2022)

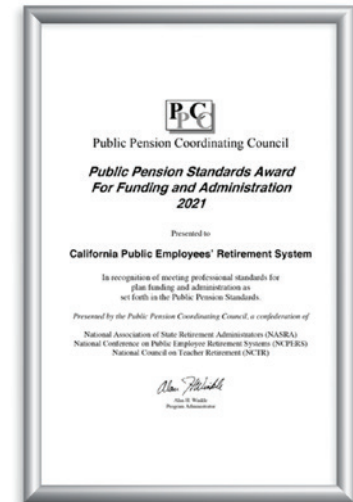
Total number of members and benefit recipients in PERF	2,155,896
Number retiring in 2022	49,965
Average age	58.8
Average years of service	20.5
Average annual allowance per month	\$3,420

Member by Employer Type (FY 2021-22)



Awards

- CalPERS Disability Advisory Committee (CDAC) was honored with the **"2021 Disability Advisory Council of the Year Award"** from the Association of California State Employees with Disabilities. This award is given to a committee that made impactful contributions to the advancement of quality of life for people with disabilities within their department.
- According to the Global Pension Transparency Benchmark CalPERS ranked globally as the **ninth most transparent public pension fund, and number one amongst the US funds.**
- **Certificate of Achievement for Excellence in Financial Reporting** from the Governmental Finance Officers Association for its Annual Comprehensive Financial Report for Fiscal Year End June 30, 2020.
- **Public Pension Standards Award for Funding and Administration 2021** from Public Pension Coordinating Council (PPCC) in recognition for meeting professional standards for plan funding and administration as set forth in the Public Pension Standards.



Diversity, Equity & Inclusion

At CalPERS we're committed to people — the people we serve, those who work here, and the larger community around us. As the nation's largest public pension fund and an organization with global impact, fostering an inclusive culture that welcomes diversity of thought, experience, and background is vital to what we do. We take our commitment to diversity, equity, and inclusion (DEI) seriously. In March 2021 CalPERS' Diversity, Equity & Inclusion Framework and Philosophy were introduced, with five priority areas. We've made progress in these areas that closely align with our mission, vision, and core values. Some of the highlights include:



Culture: Developed a CalPERS DEI Certificate Program to increase proficiency and to equip team members to become DEI Ambassadors.



Talent Management: Provided training to new team members and managers on CalPERS' DEI philosophy and fundamental concepts, equal employment opportunity (EEO) policy and resources, and team member opportunities for engagement with DEI.



Health Equity: Asked health plan members to self-identify important demographic information to help us identify whether changes need to be made in the way we provide access and treatment. We also improved our updated health plan benefit design and contracting requirements to ensure more equitable care. Lastly, we continue collaborating with other large healthcare purchasers to strengthen our health equity commitment.



Supplier Diversity: Updated the Voluntary Statistic Data Sheet (VSDS) to ensure the language on the form was straightforward and accessible. These efforts led to a 200% increase in participation over the previous fiscal year.



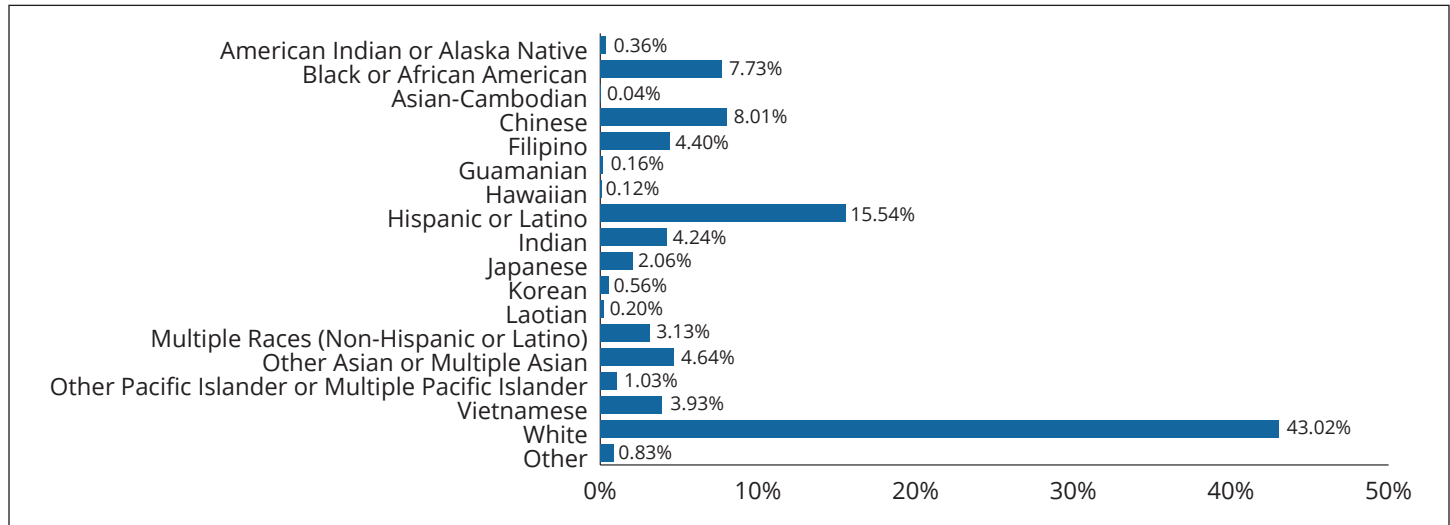
Investments: Held directors at the companies we invest in accountable for lack of progress on improving corporate board diversity, including voting against 133 corporate board directors at companies where our engagement with them did not result in constructive outcomes.



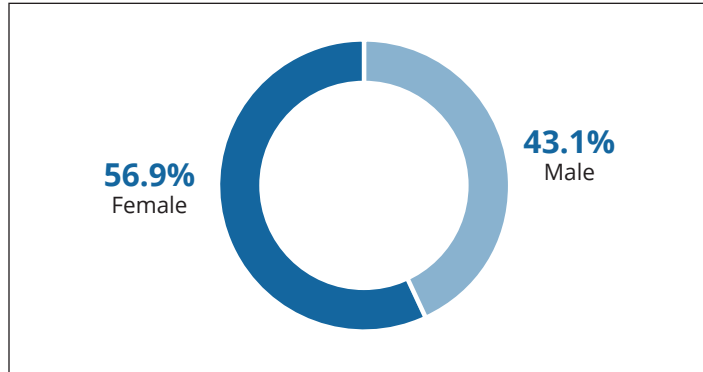
Workplace Demographics

Our team members represent a multitude of races, ethnicities, and cultural backgrounds reflective of the members we serve.

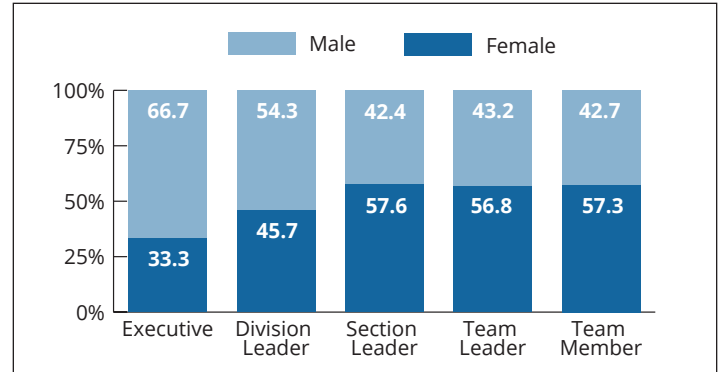
Race and Ethnicity at CalPERS (FY 2021-22)



Overall Gender at CalPERS (FY 2021-22)



Gender by Classification (FY 2021-22)



Generational Diversity

0.08%	Traditionalist (Before 1944)
13.28%	Baby Boomers (1946 - 1964)
47.82%	Generation X (1965 - 1979)
38.22%	Millennial (1980 - 1996)
0.59%	Generation Z (1997 - 2012)

Sexual Orientation*

1.0%	Bisexual
1.0%	Gay
0.4%	Queer
69.0%	Straight/Heterosexual
28.0%	Unknown (chose not to respond)

* 72% of total respondents to survey

Serving Those Who Serve CA

At CalPERS the work we do is guided by our mission to deliver retirement and health care benefits to members and their beneficiaries. We are here to serve those who serve California, with a goal to ensure member satisfaction through accuracy, responsiveness, and respect. Below highlights customer service numbers for FY 2021-22.

At CalPERS we pride ourselves on transparency and providing information online.

Customer Service Statistics (FY 2021-22)

1,282,434	Calls and emails received by CalPERS contact center
460 secs.	Average call time
40,983	Written pension estimates provided to members
73,020	Members who received one-on-one counseling <ul style="list-style-type: none"> 5% in-house 10% in the field 70% via teleconference 16% via video conference

Website Statistics (FY 2021-22)

4,591,471	Visits to website
17,262	Average number of CalPERS membership publications downloaded monthly
31.3 K	Members subscribed to CalPERS email subscriptions



Executive Officers



Marcie Frost
Chief Executive
Officer



Michael Cohen
Interim Chief
Operating
Investment Officer



Douglas Hoffner
Chief Operating
Officer



Matthew G. Jacobs
General Counsel



Stephenson Loveson
Chief Information
Officer



Kim Malm
Deputy
Executive Officer
Customer Services
& Support



**Donald B. Moulds,
Ph.D.**
Chief Health Director



Nicole Musicco
Chief Investment
Officer



Michele Nix
Acting Chief
Financial Officer



Brad W. Pacheco
Deputy Executive
Officer
Communications
& Stakeholder
Relations



Scott Terando
Chief Actuary



**Marlene Timberlake
D'Adamo**
Chief Diversity,
Equity, and Inclusion
Officer



Michelle Tucker
Human Resources
Director

Training, Education, and Outreach

CalPERS is committed to providing training, education and outreach opportunities to educate and engage with members, employers and stakeholders. Here is an overview of our efforts for FY 2021-22.

CalPERS Benefit Education Events (CBEE)

CalPERS held two virtual Benefit Education Events. These events provided members an opportunity to learn about their retirement benefits, helping them make informed decisions and plan for their financial future.

December 2021 CBEE

- 3,255 unique participants (over two-day event)
- 8,714 people attended classes
- 25 classes
- 19 exhibits

June 2022 CBEE

- 2,289 unique participants (over two-day event)
- 5,965 people attended classes
- 22 classes
- 20 exhibits

CalPERS Educational Forum

CalPERS held two Benefit Education Events. These events provided members an opportunity to learn about their retirement benefits, helping them make informed decisions and plan for their financial future.

- 889 participants
- 622 Public Agency
- 152 Schools
- 76 State/Local/CSU

Stakeholder Outreach Team

The Strategic Stakeholder Outreach Team was involved or participated in 68 stakeholder meetings/events, 39 of which they hosted. In addition, they hosted five Asset Liability Management webinars that attracted over 1,300 participants. The hottest topics for the fiscal-year included:

- ALM and other investment updates
- Board Elections
- Health Program updates is always popular
- Legislative updates such as divestments bills
- Pension System Sustainability and ESG

Pathways for Women Conference

This CalPERS hosted event is meant to inspire and inform women in their careers, featuring extraordinary leaders from business, healthcare, and government – all in serving for advancing women. The event included 387 participants, which included 98 CalPERS team and board members and invited speakers. A total of 13 states were represented and four countries.



2023 Board of Administration



Theresa Taylor
President
State Member
Representative



Malia M. Cohen
Ex Officio Member
California State
Controller



Fiona Ma
Ex Officio Member
California State
Treasurer



Lisa Middleton
Governor Appointee
Local Government
Elected Official



David Miller
All Member
Representative



Eraina Ortega
Ex Officio Member
California
Department of
Human Resources



Jose Luis Pacheco
All Member
Representative



Kevin Palkki
School Member
Representative



Ramón Rubalcava
Public Representative
Appointed Jointly by the
Senate Rules Committee
and Speaker of the
Assembly



Yvonne Walker
Retired Member
Representative



Mullissa Willette
Public Agency
Member
Representative



Dr. Gail Willis
Ex Officio Member
State Personnel
Board
Representative



Vacant
Governor Appointee
Insurance Industry
Representative



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California Public Employees' Retirement System

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