



## FY 2021–22 ENTERPRISE RISK MANAGEMENT DASHBOARD

RISK CATEGORY / RISK STATEMENT		16/17	17/18	18/19	19/20	20/21	21/22	RISK ↑/↓
High Impact   High Probability	 <b>CLIMATE CHANGE</b> CFO, CIO   Finance & Administration Committee, Investment Committee Failure to meet investment returns, employer's inability to pay required contributions, and disruption to CalPERS' operations.							↔
	 <b>PENSION FUNDING</b> CFO, Chief Actuary, CIO   Finance & Administration Committee, Investment Committee Failure to meet pension benefit obligations.							↔
	 <b>INFORMATION SECURITY</b> General Counsel, GCO, LEGO   Finance & Administration Committee Failure to protect and secure information assets.							↔
	 <b>GOVERNANCE &amp; CONTROL ENVIRONMENT</b> CCO, CFO   Risk & Audit Committee Lack of a strong internal control environment, which includes documentation and testing, could result in increased non-compliance and litigation risk, operational risks due to inefficiency and improper activity, loss of authority or reputation, and/or incurred penalties.							↔
	 <b>LONG-TERM CARE</b> CHD   Pension & Health Benefits, Finance & Administration Committee, Investment Committee Inability to fund future obligations of the long-term care program in a manner that is affordable to policy holders.							↔
High Impact   Low Probability	 <b>STAKEHOLDER CONFIDENCE</b> DEO, CSR   Finance & Administration Committee Inability to maintain stakeholder confidence in CalPERS as a trusted fiduciary.							↔
	 <b>HEALTH CARE ADMINISTRATION</b> CHD, HPBB   Pension & Health Benefits Committee Inability to offer high-quality, accessible, affordable, and sustainable health care at a competitive price.							↔
	 <b>TALENT MANAGEMENT</b> DEO, OPT   Performance, Compensation, & Talent Management Committee Inability to recruit and retain a diverse and qualified workforce compromises the ability to meet business objectives.							↔
	 <b>BENEFIT ADMINISTRATION</b> DEO, CSS   Pension & Health Benefits Committee CalPERS members, retirees, and beneficiaries may not receive timely and/or accurate benefits.							↔
	 <b>BUSINESS CONTINUITY</b> DEO, OPT   Finance & Administration Committee Inability to recover timely and resume business functions following a business interruption event.							↔