

Executive Summary

- The California Public Employees Retirement System (“CalPERS”) asked McLagan to assemble competitive compensation data for the following executive and investment management positions from its Board-approved compensation comparator group:

Chief Executive Officer
 Chief Actuary
 Chief Financial Officer
 General Counsel
 Chief Operating Officer
 Chief Health Director ⁽¹⁾

Chief Investment Officer
 Deputy Chief Investment Officer
 Chief Operating Investment Officer ⁽²⁾
 Managing Investment Director
 Investment Director
 Investment Manager
 Associate Investment Manager

- McLagan assembled data from our 2021 Investment Management Compensation Survey Suite from US and Canadian public funds, endowments, advisory firms, banks, and insurance companies. Additionally, compensation data was assembled by CalPERS staff for the CA-based public agencies included in the executive peer group.
- This report includes the competitive 25th, 50th (median), and 75th percentiles for base salary and base salary + cash incentives, and in few instances, base salary + cash incentives + long-term incentives. As with prior analyses, benefits have been excluded from this analysis.
- The results of our analysis are found on the following pages.

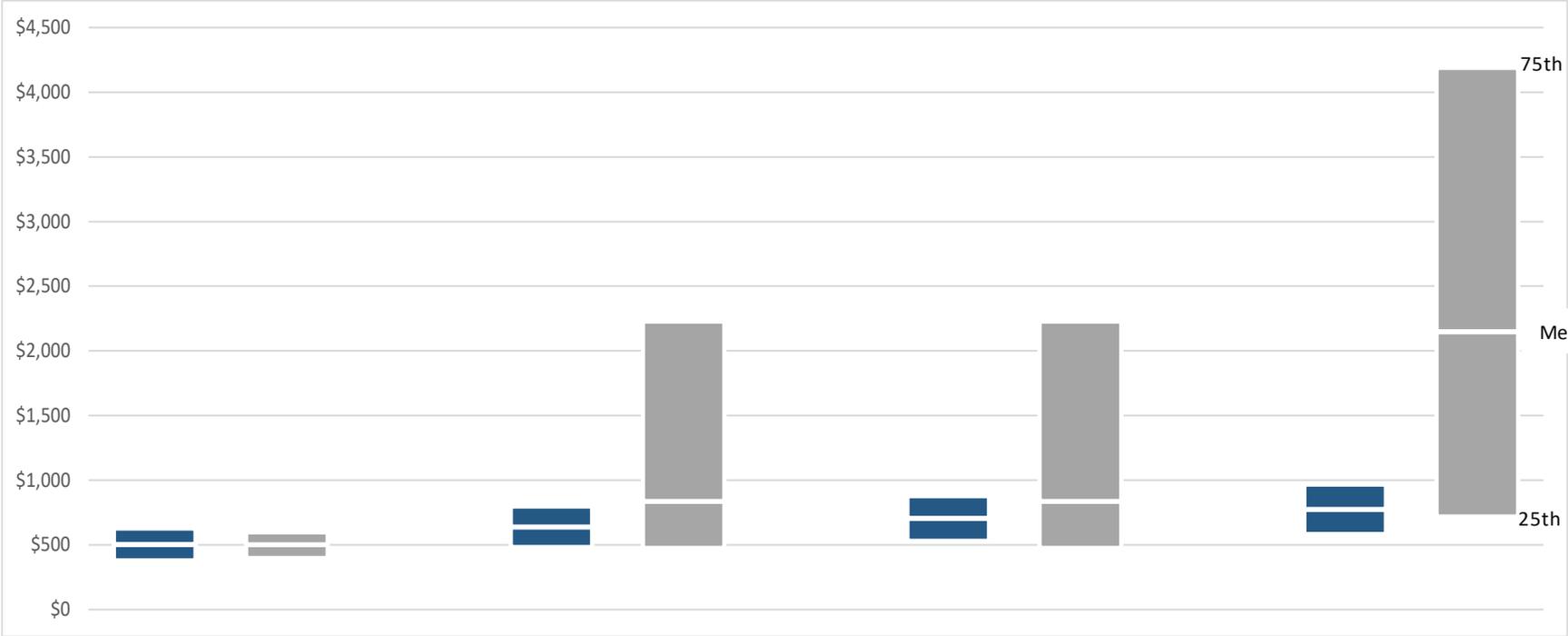
(1) The Chief Health Director position was requested by CalPERS to be reviewed in this analysis. McLagan does not cover this position in its compensation surveys and excluded this position.

(2) This position is not currently occupied at CalPERS. This data is included in the Appendix for reference.

Executive Positions
Combined Peer Group Data

Combined Peer Group: CEO

\$000s

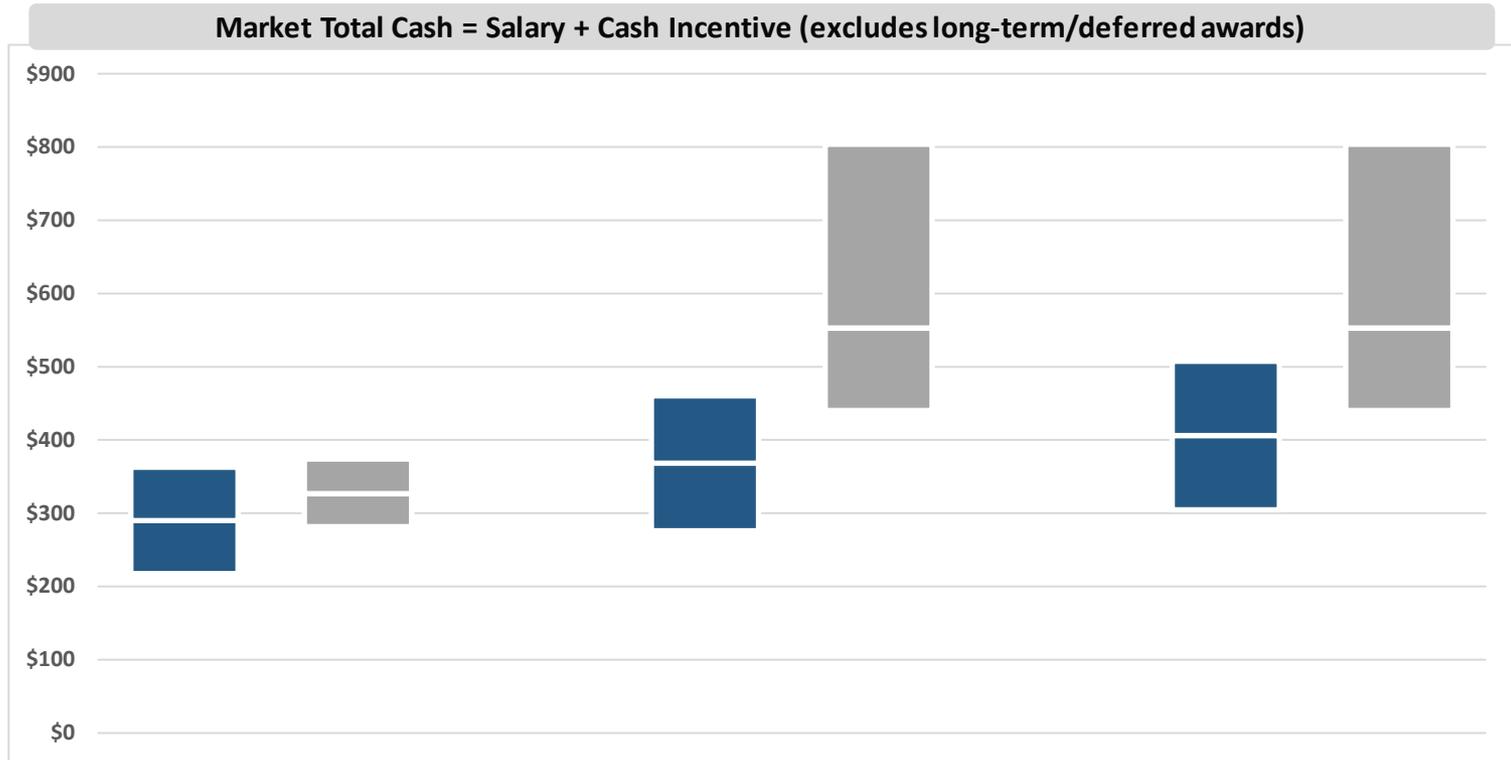


	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$600	\$799	\$2,228	\$880	\$2,228	\$968	\$4,191
Mid / Median	503	500	639	837	704	837	775	2,148
Min / 25th	377	394	479	474	528	474	581	717

Note: CalPERS Total Comp = Salary + Annual Incentive at Target + Long-term at Target

Combined Peer Group: CFO

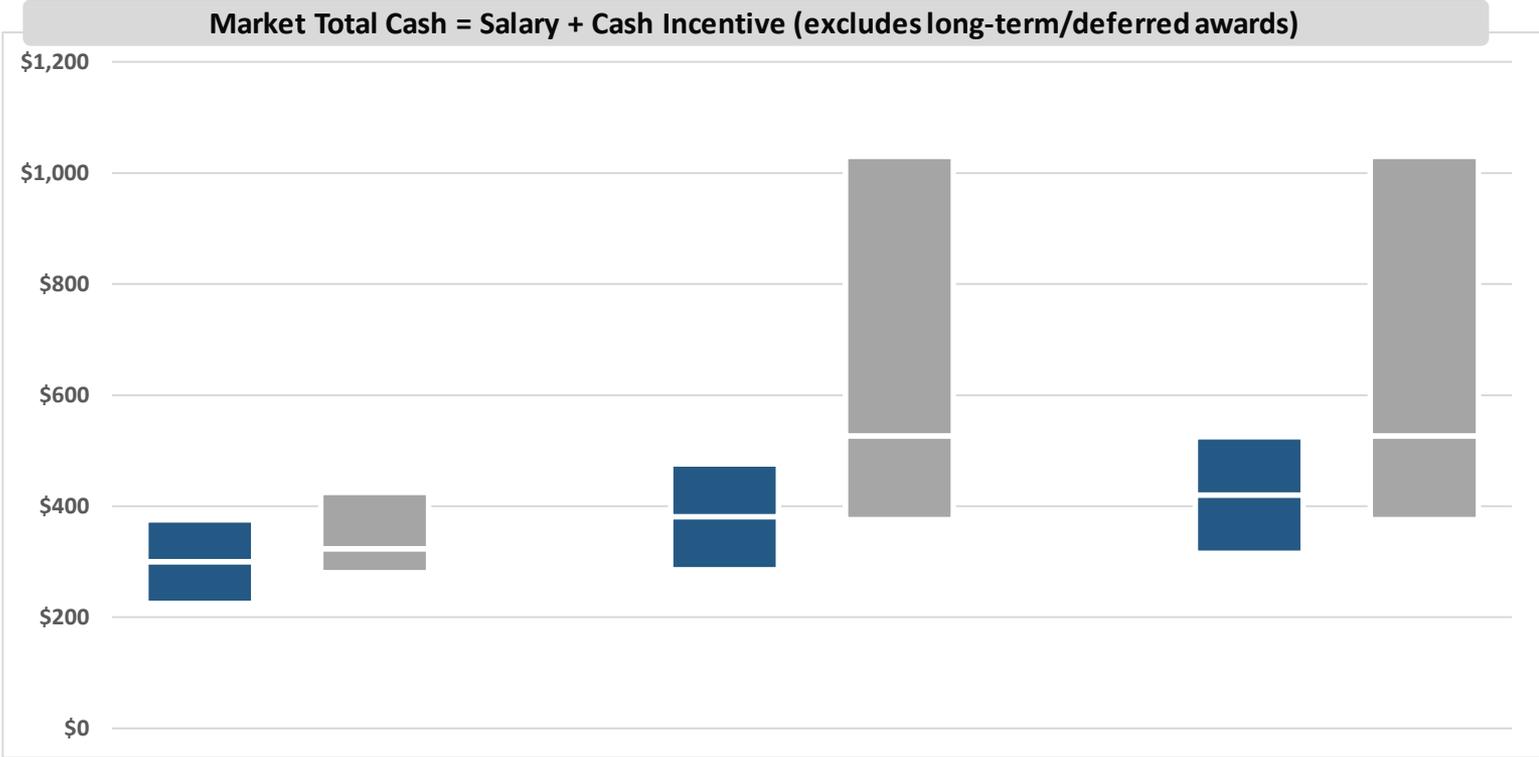
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$363	\$374	\$460	\$804	\$508	\$804
Mid / Median	290	327	368	553	406	553
Min / 25th	218	282	276	440	305	440

Combined Peer Group: General Counsel

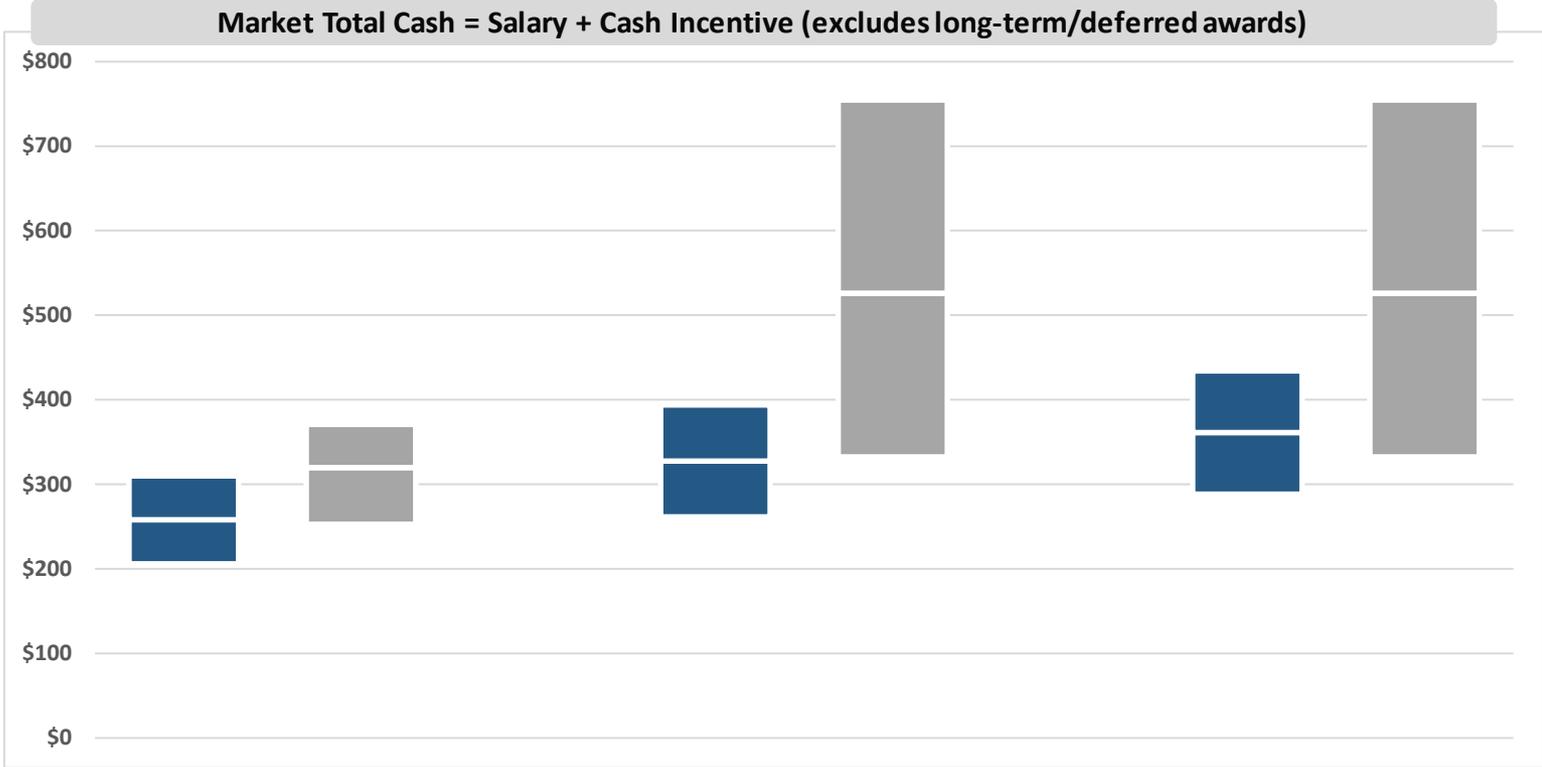
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$375	\$425	\$476	\$1,030	\$525	\$1,030
Mid / Median	300	323	381	527	420	527
Min / 25th	225	280	286	376	315	376

Combined Peer Group: Chief Actuarial Officer

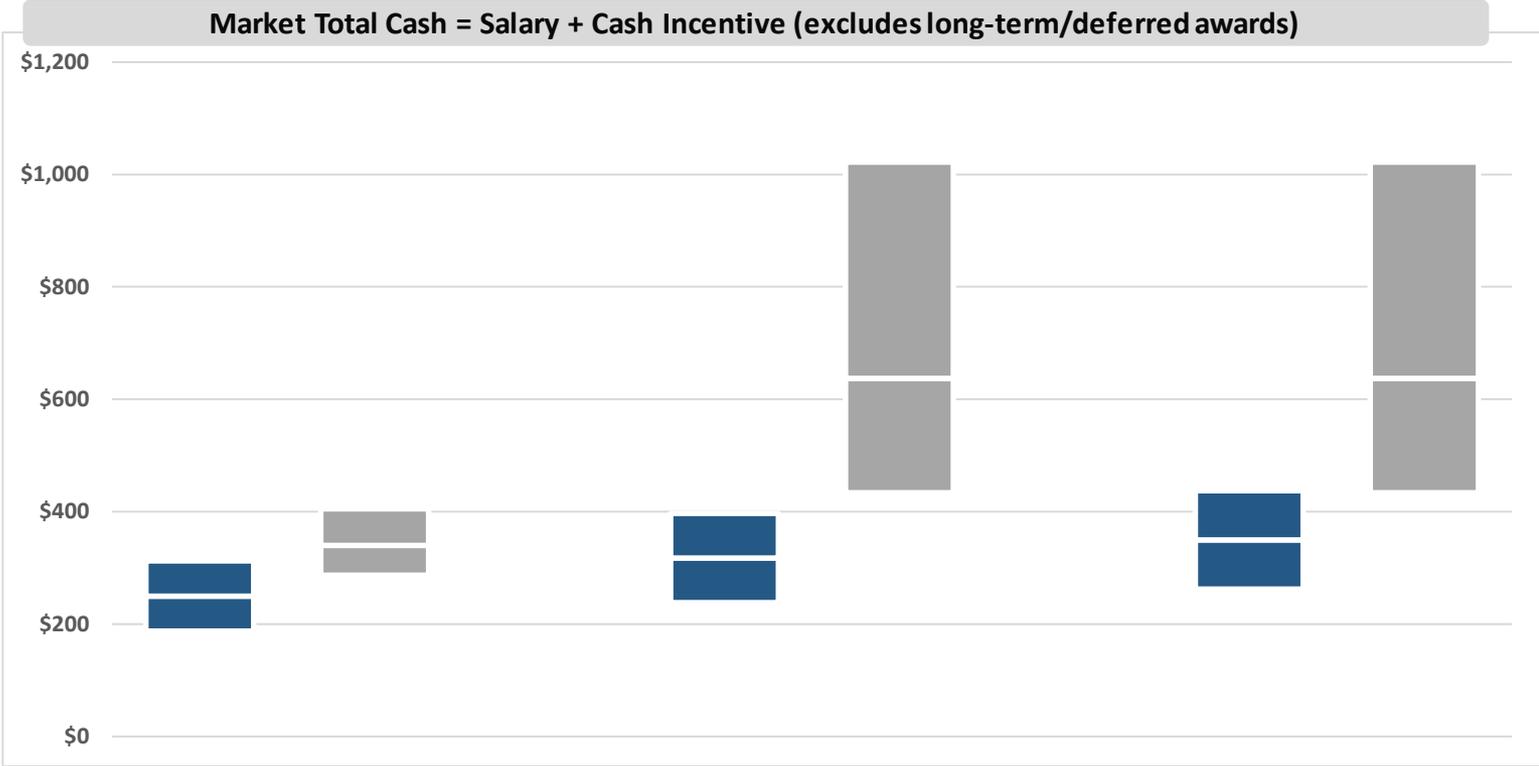
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	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$310	\$371	\$394	\$754	\$434	\$754
Mid / Median	258	320	328	526	361	526
Min / 25th	206	253	262	332	288	332

Combined Peer Group: COO

\$000s

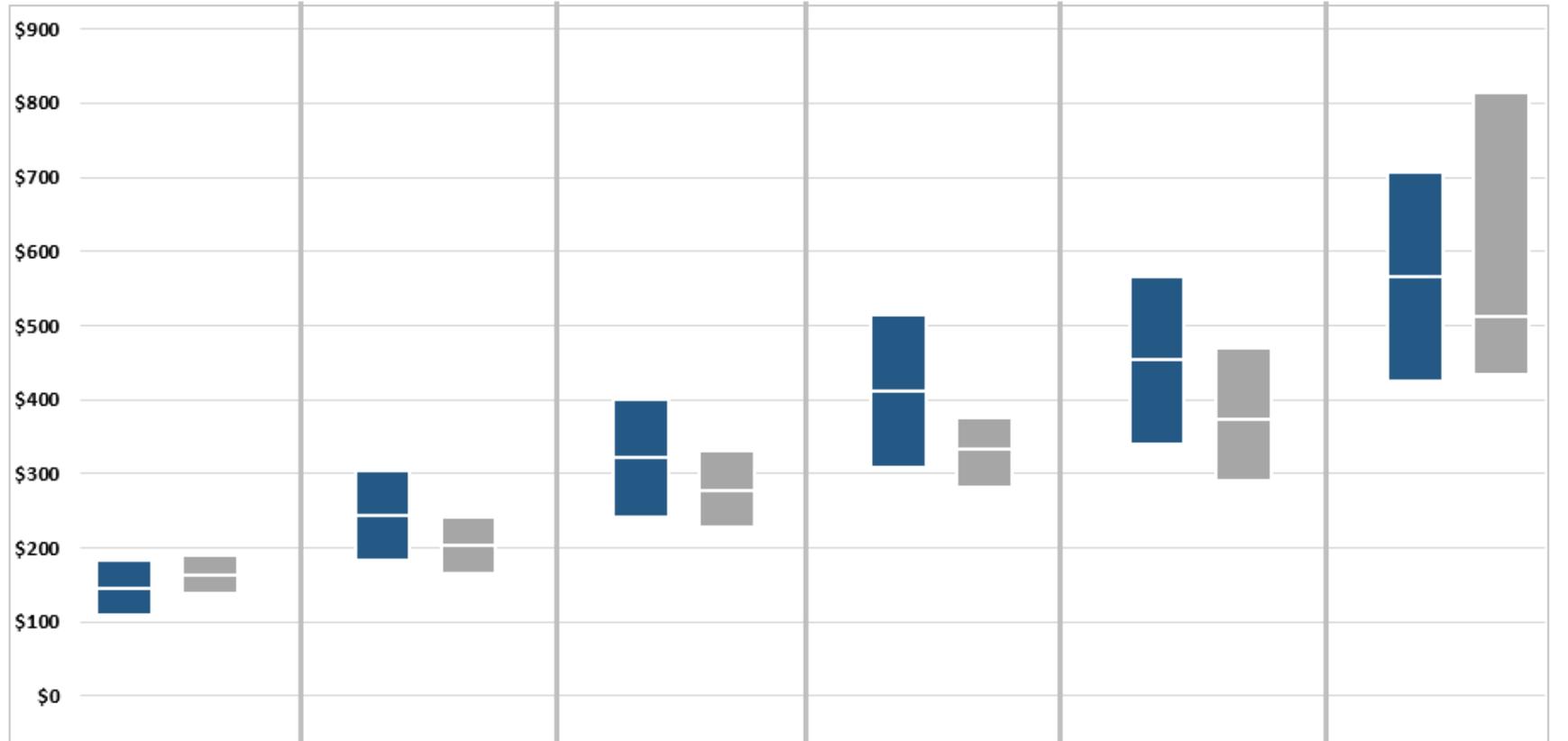


	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$313	\$405	\$397	\$1,022	\$438	\$1,022
Mid / Median	250	340	318	637	350	637
Min / 25th	188	287	238	434	263	434

Investment Management Positions

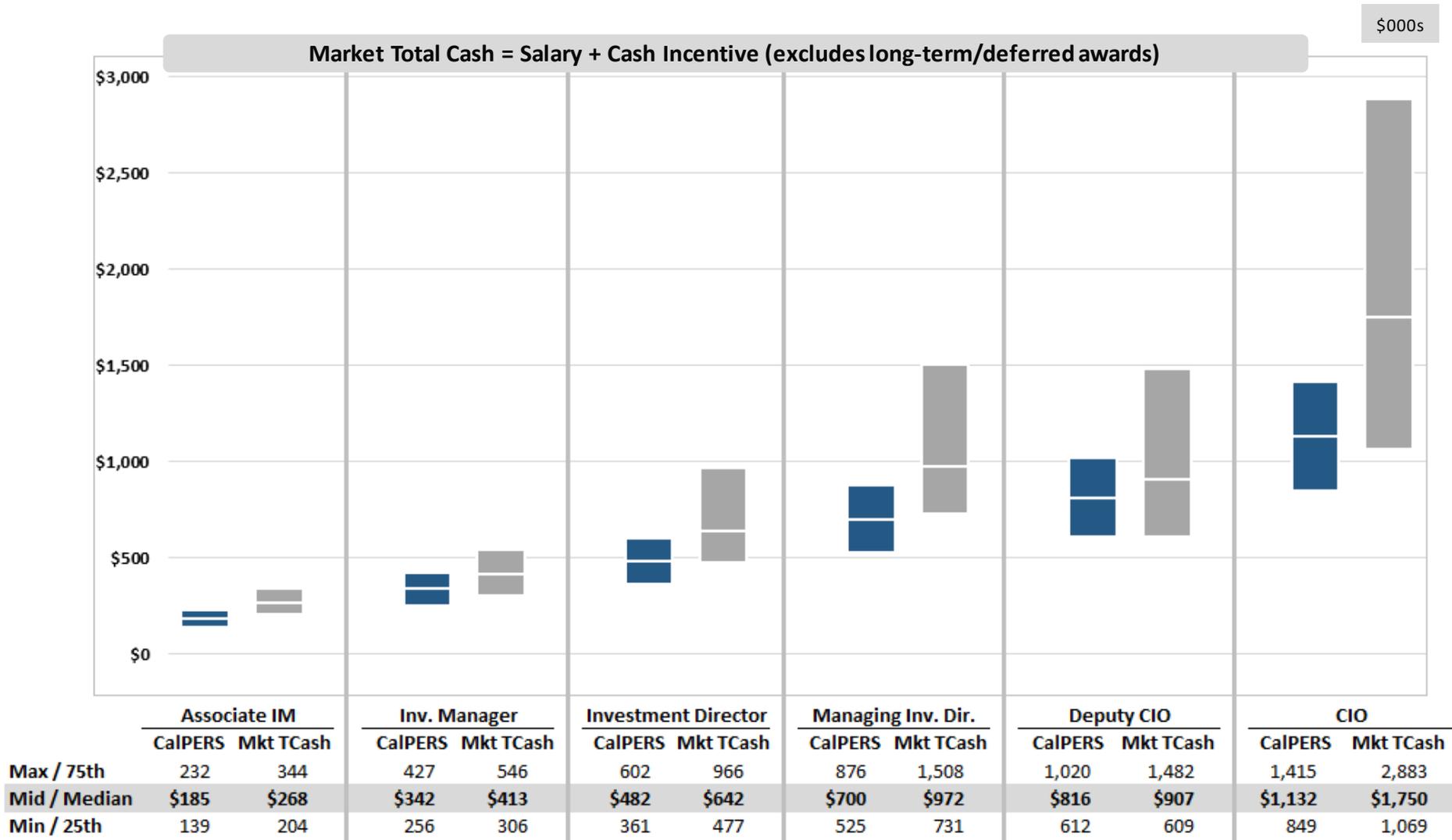
Investment Management Positions: Salary vs. Market Salary

\$000s



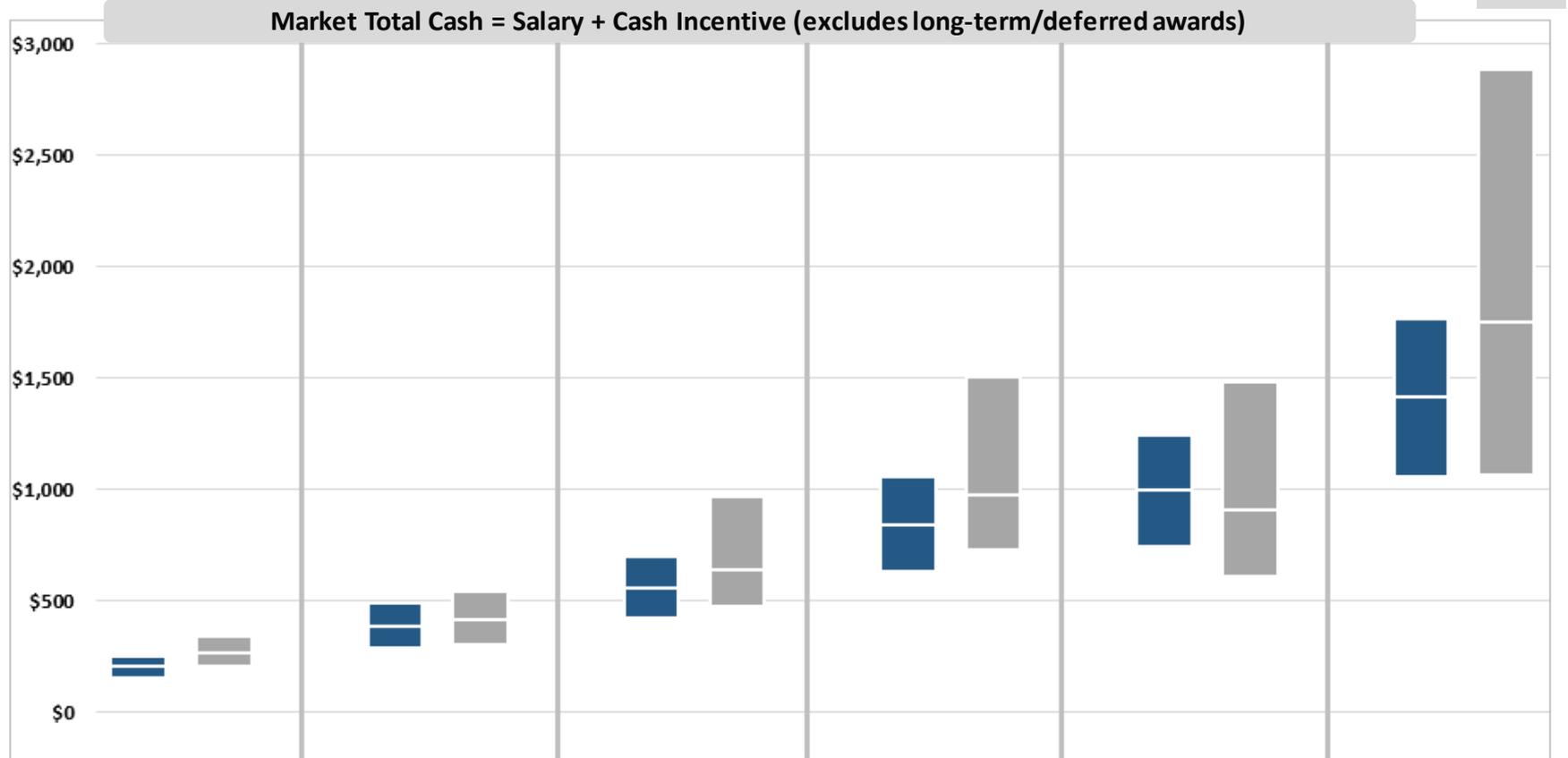
	Associate IM		Inv. Manager		Investment Director		Managing Inv. Dir.		Deputy CIO		CIO	
	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary
Max / 75th	183	189	305	242	401	332	515	376	567	470	708	813
Mid / Median	\$146	\$164	\$244	\$203	\$321	\$278	\$412	\$333	\$453	\$373	\$566	\$513
Min / 25th	110	139	183	166	241	228	309	282	340	290	425	434

Investment Management Positions: Target T. Cash vs. Market T. Cash



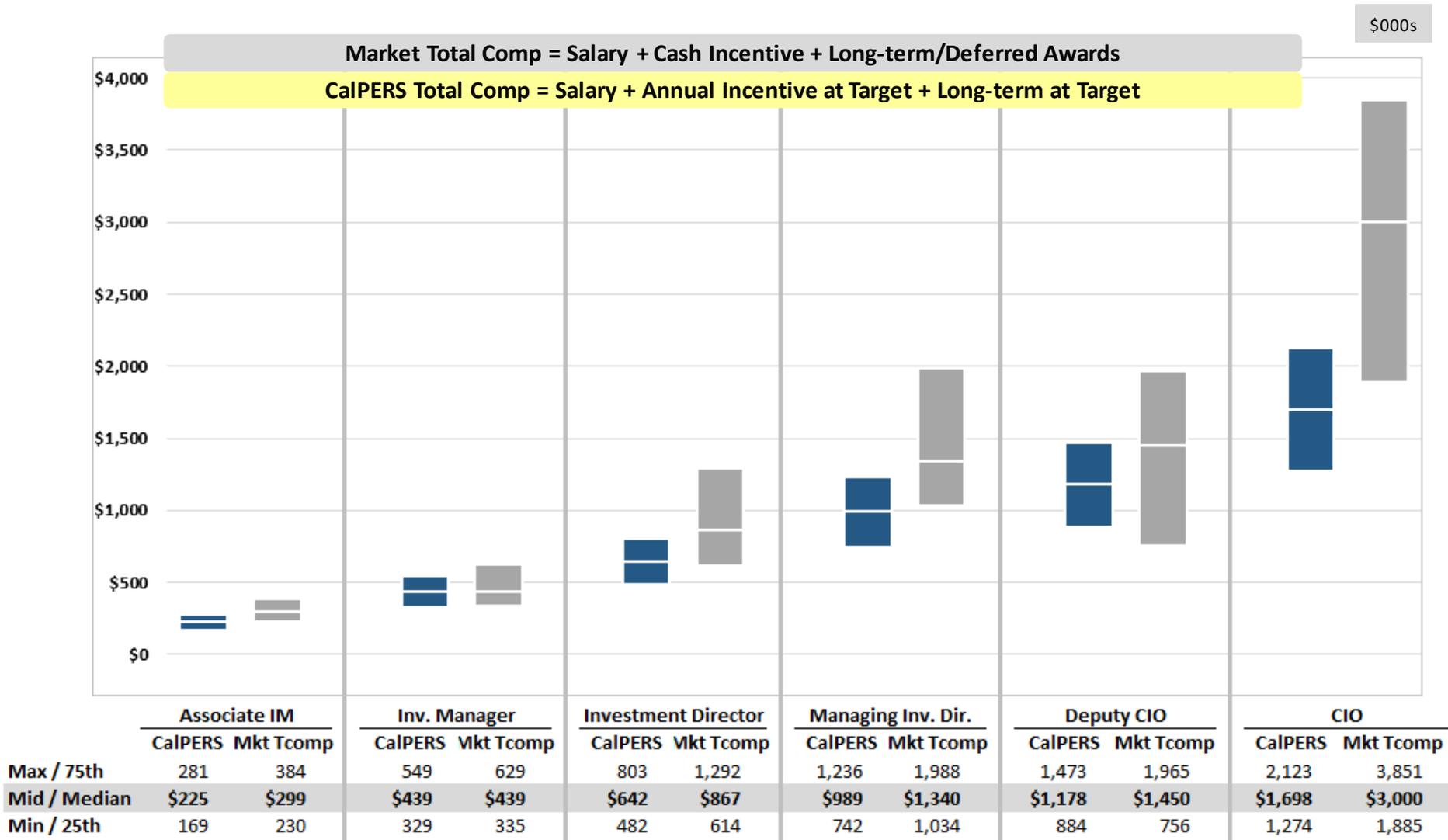
Investment Management Positions: Maximum T. Cash vs. Market T. Cash

\$000s



	Associate IM		Inv. Manager		Investment Director		Managing Inv. Dir.		Deputy CIO		CIO	
	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	256	344	488	546	702	966	1,056	1,508	1,246	1,482	1,769	2,883
Mid / Median	\$204	\$268	\$390	\$413	\$562	\$642	\$845	\$972	\$997	\$907	\$1,415	\$1,750
Min / 25th	153	204	293	306	421	477	633	731	748	609	1,061	1,069

Investment Management Positions: Target T. Comp vs. Market T. Comp



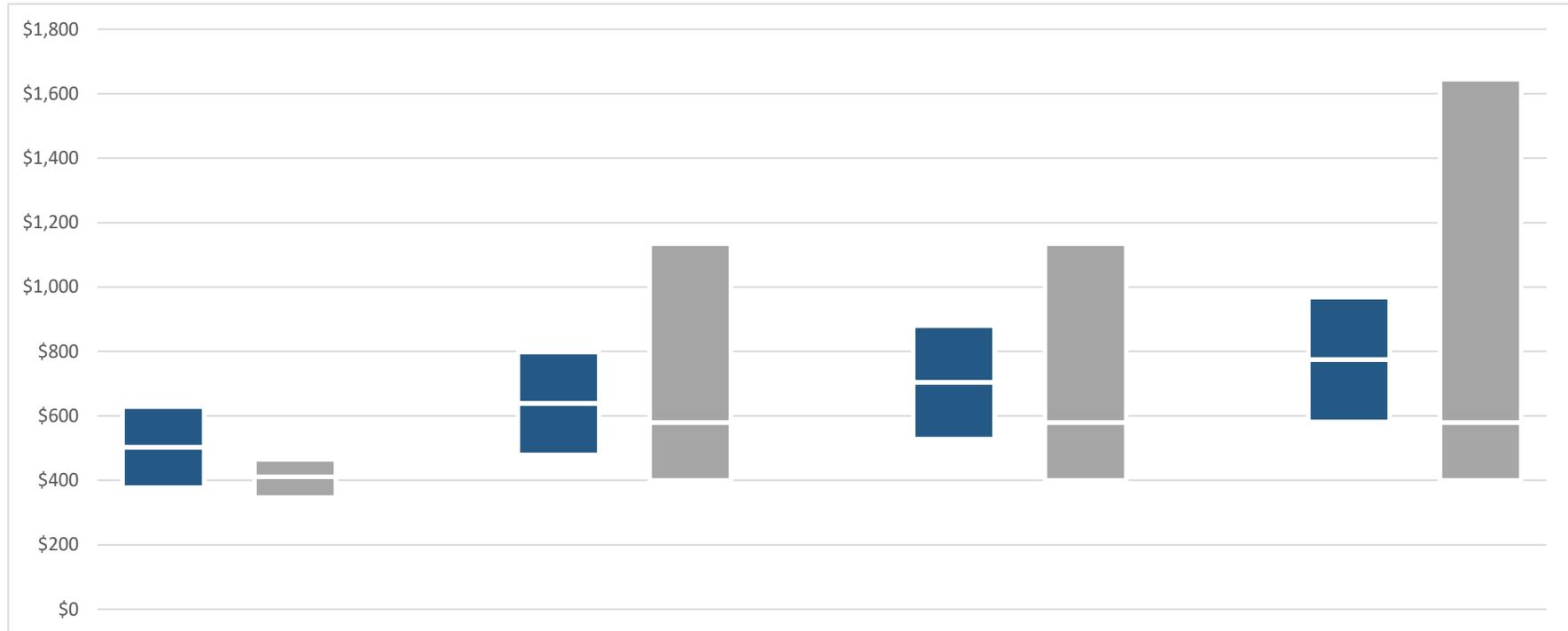
Appendix I: Executive Positions

Executive Positions

Public Fund Peer Group Data

Public Fund Peer Group: CEO

\$000s

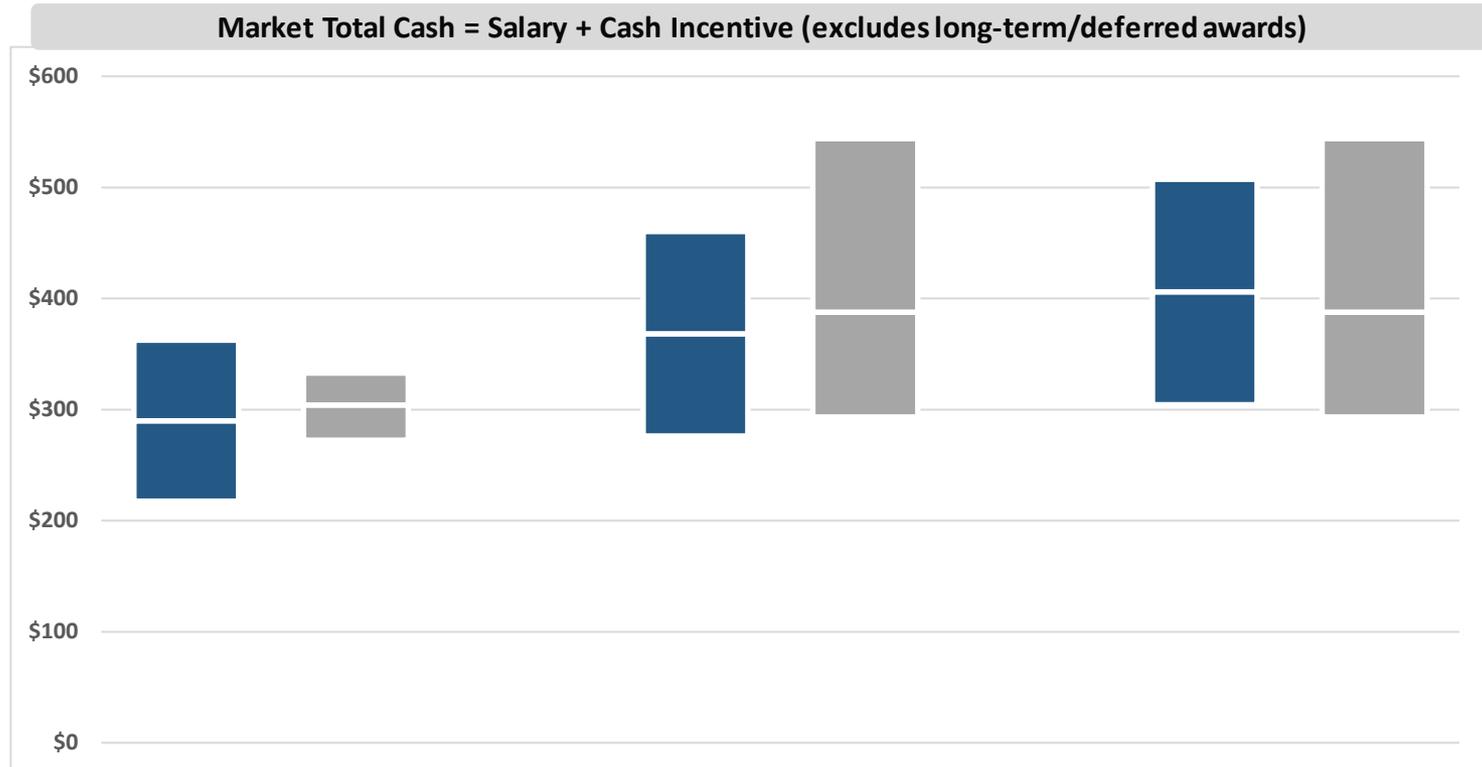


	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$466	\$799	\$1,135	\$880	\$1,135	\$968	\$1,645
Mid / Median	503	411	639	580	704	580	775	580
Min / 25th	377	346	479	400	528	400	581	400

Note: CalPERS Total Comp = Salary + Annual Incentive at Target + Long-term at Target

Public Fund Peer Group: CFO

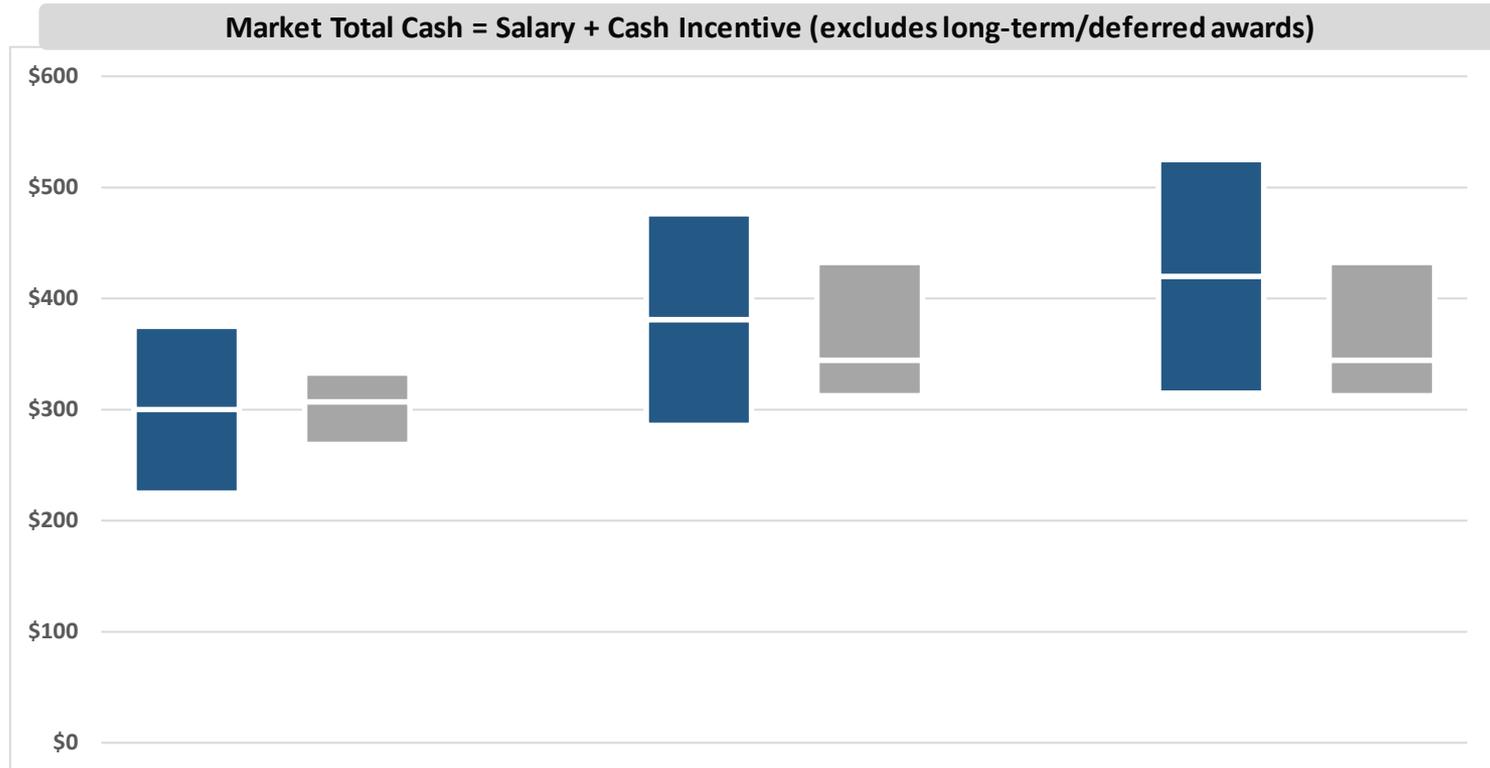
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$363	\$333	\$460	\$544	\$508	\$544
Mid / Median	290	304	368	388	406	388
Min / 25th	218	273	276	294	305	294

Public Fund Peer Group: General Counsel

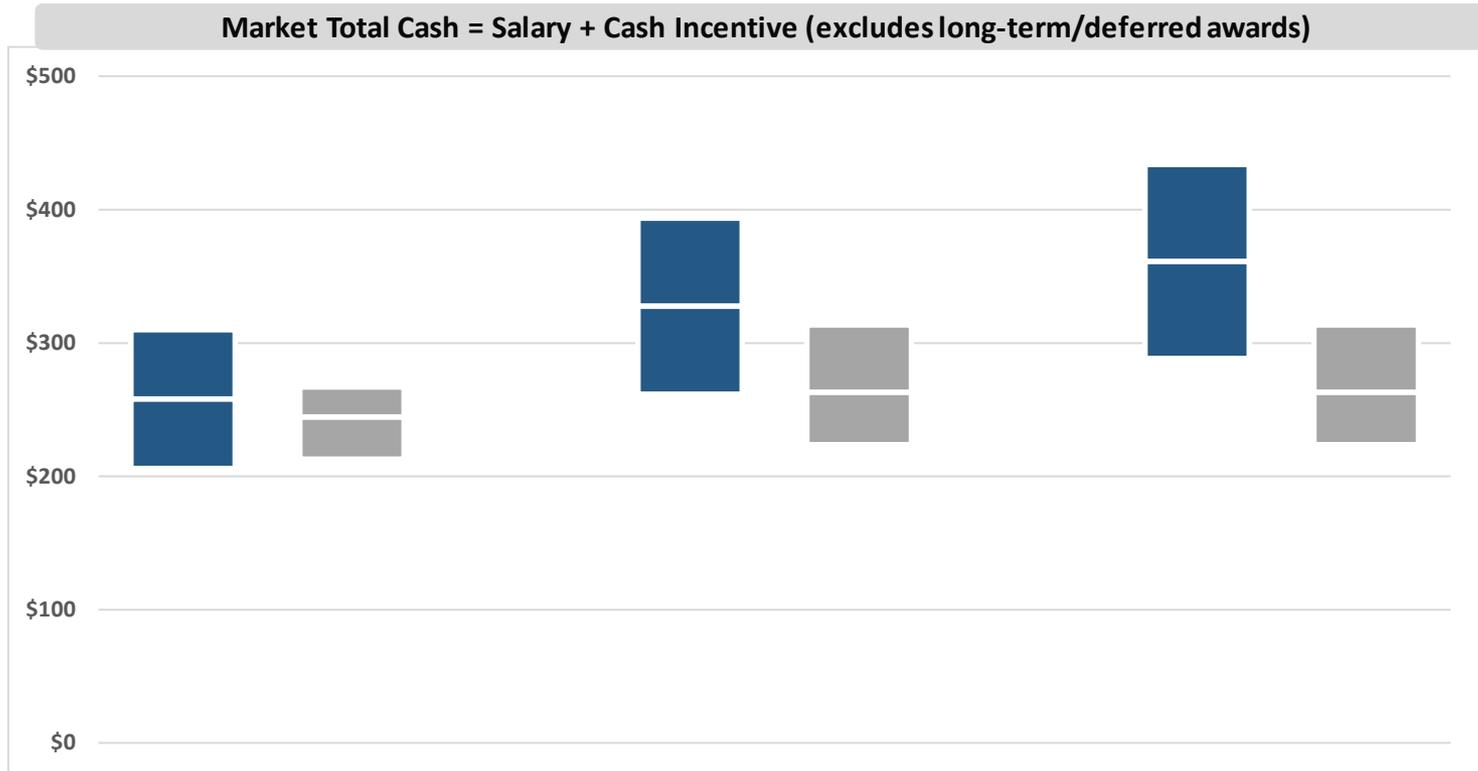
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$375	\$333	\$476	\$432	\$525	\$432
Mid / Median	300	307	381	344	420	344
Min / 25th	225	269	286	313	315	313

Public Fund Peer Group: Chief Actuarial Officer

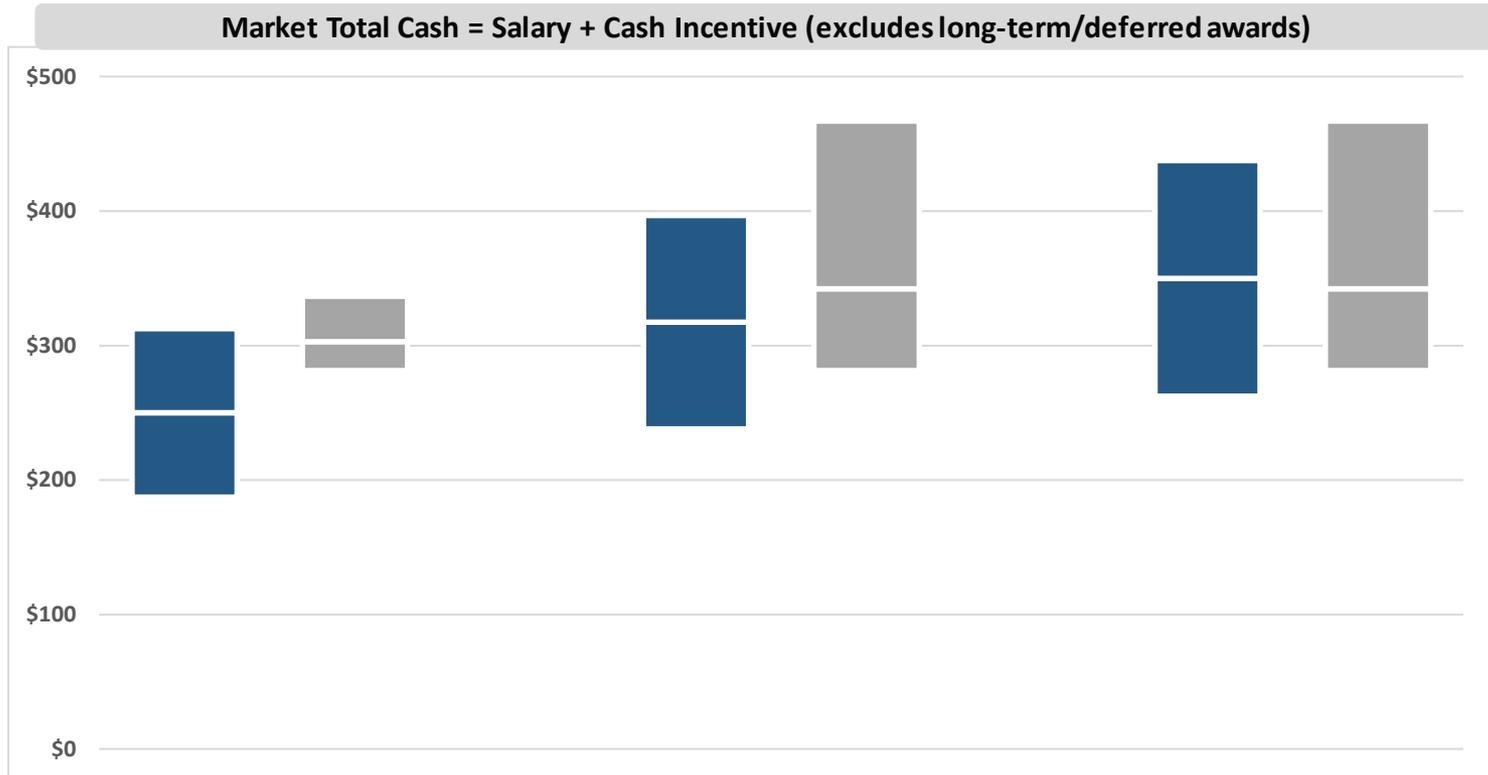
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$310	\$267	\$394	\$314	\$434	\$314
Mid / Median	258	245	328	263	361	263
Min / 25th	206	213	262	224	288	224

Public Fund Peer Group: COO

\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$313	\$337	\$397	\$467	\$438	\$467
Mid / Median	250	303	318	342	350	342
Min / 25th	188	282	238	282	263	282

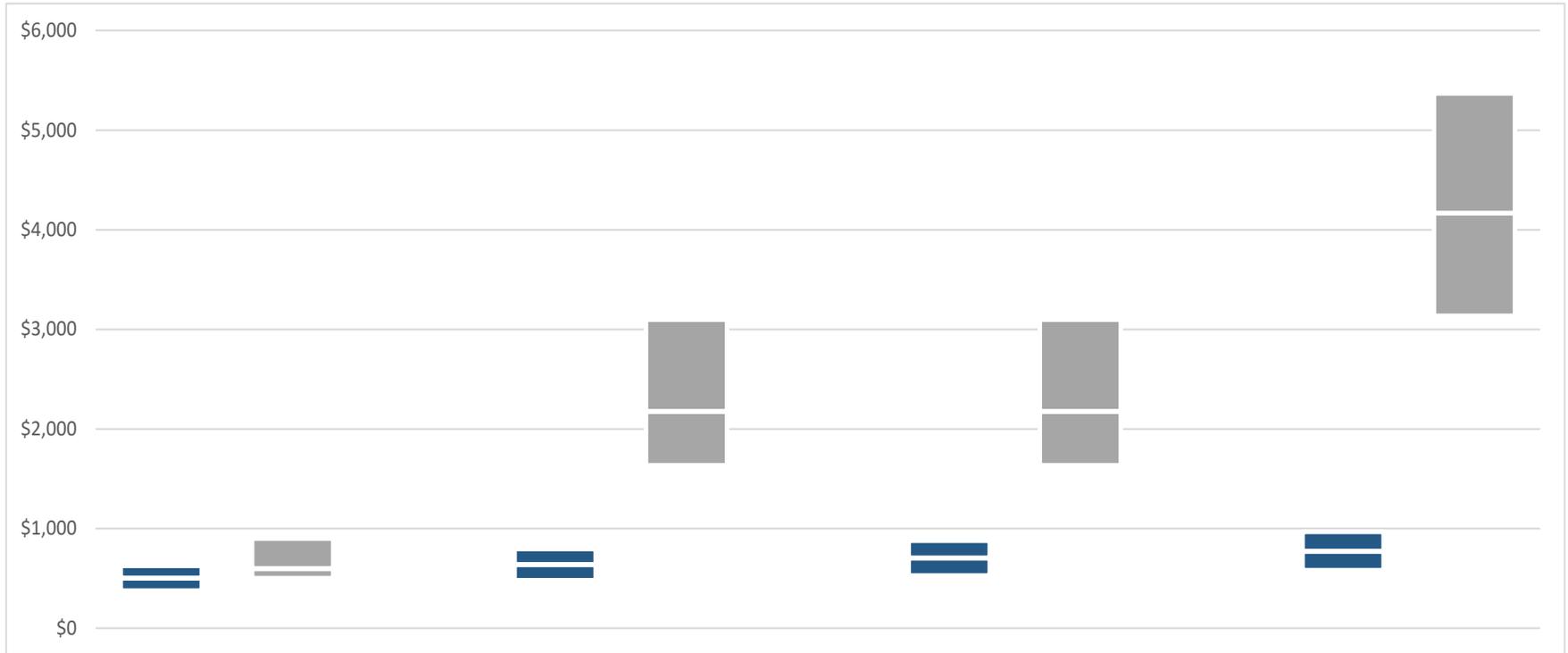
\$000s

Executive Positions

Private Sector Peer Group Data

Private Sector Peer Group: CEO

\$'000s

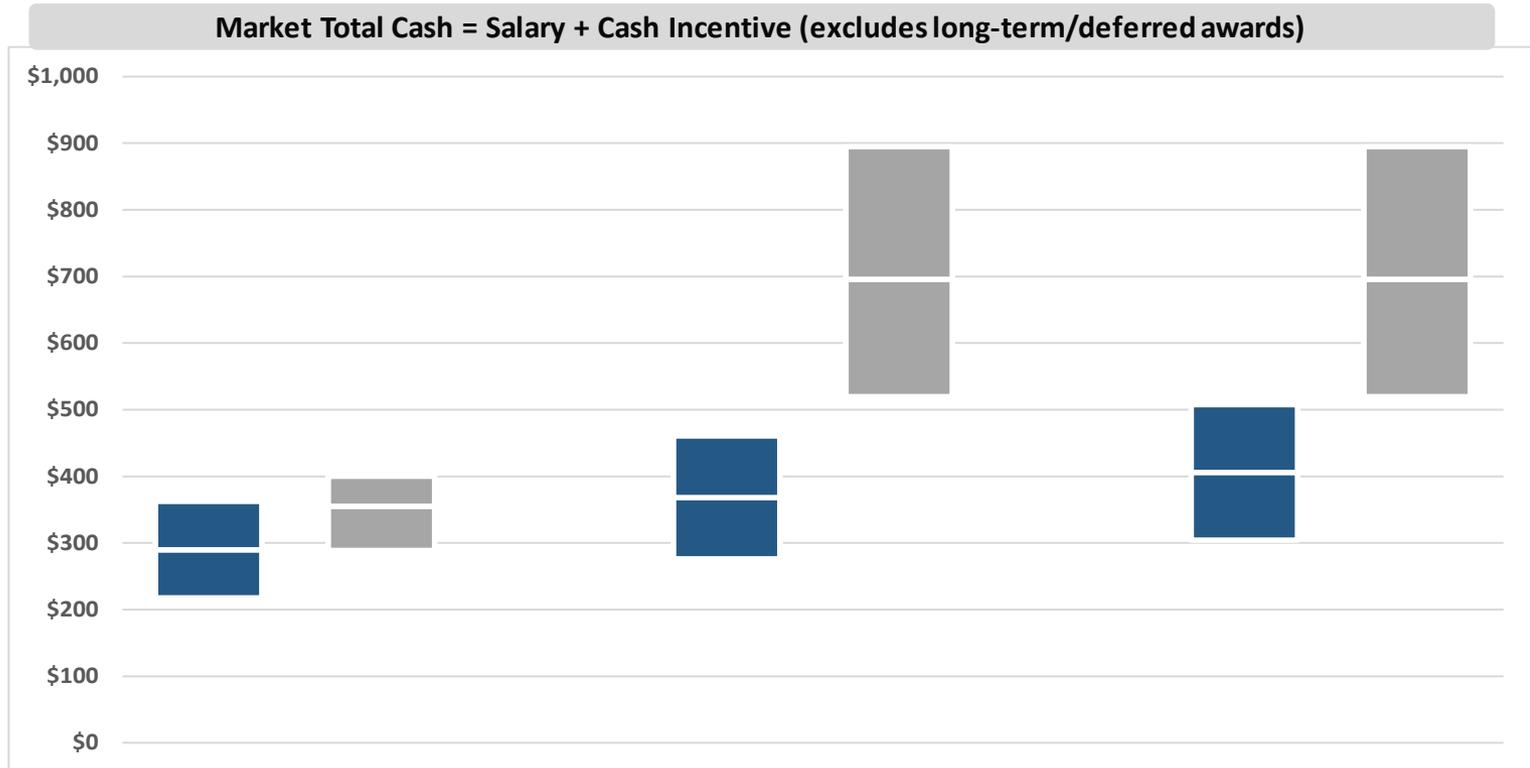


	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$900	\$799	\$3,100	\$880	\$3,100	\$968	\$5,371
Mid / Median	503	600	639	2,177	704	2,177	775	4,167
Min / 25th	377	500	479	1,633	528	1,633	581	3,134

Note: CalPERS Total Comp = Salary + Annual Incentive at Target + Long-term at Target

Private Sector Peer Group: CFO

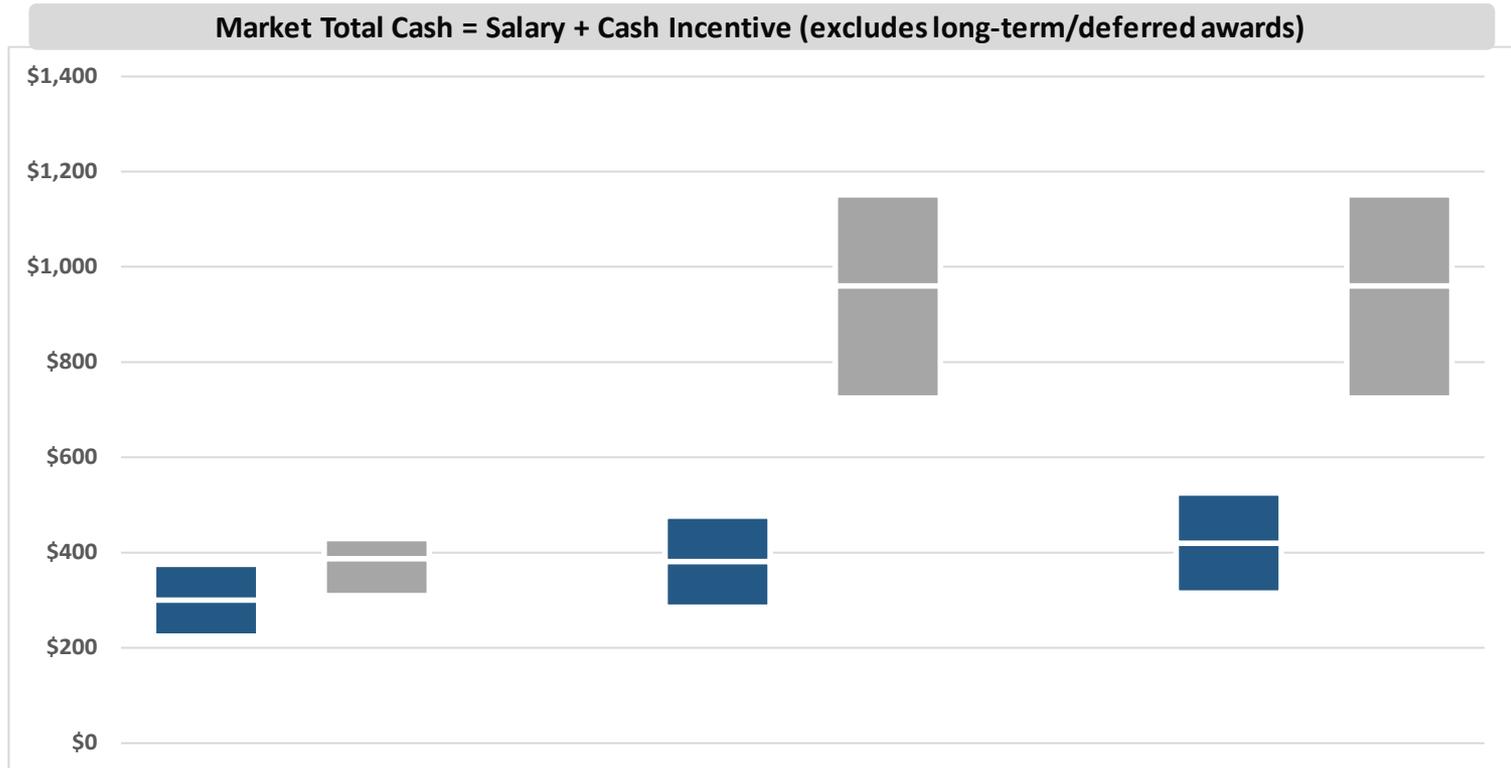
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$363	\$400	\$460	\$895	\$508	\$895
Mid / Median	290	355	368	696	406	696
Min / 25th	218	289	276	520	305	520

Private Sector Peer Group: General Counsel

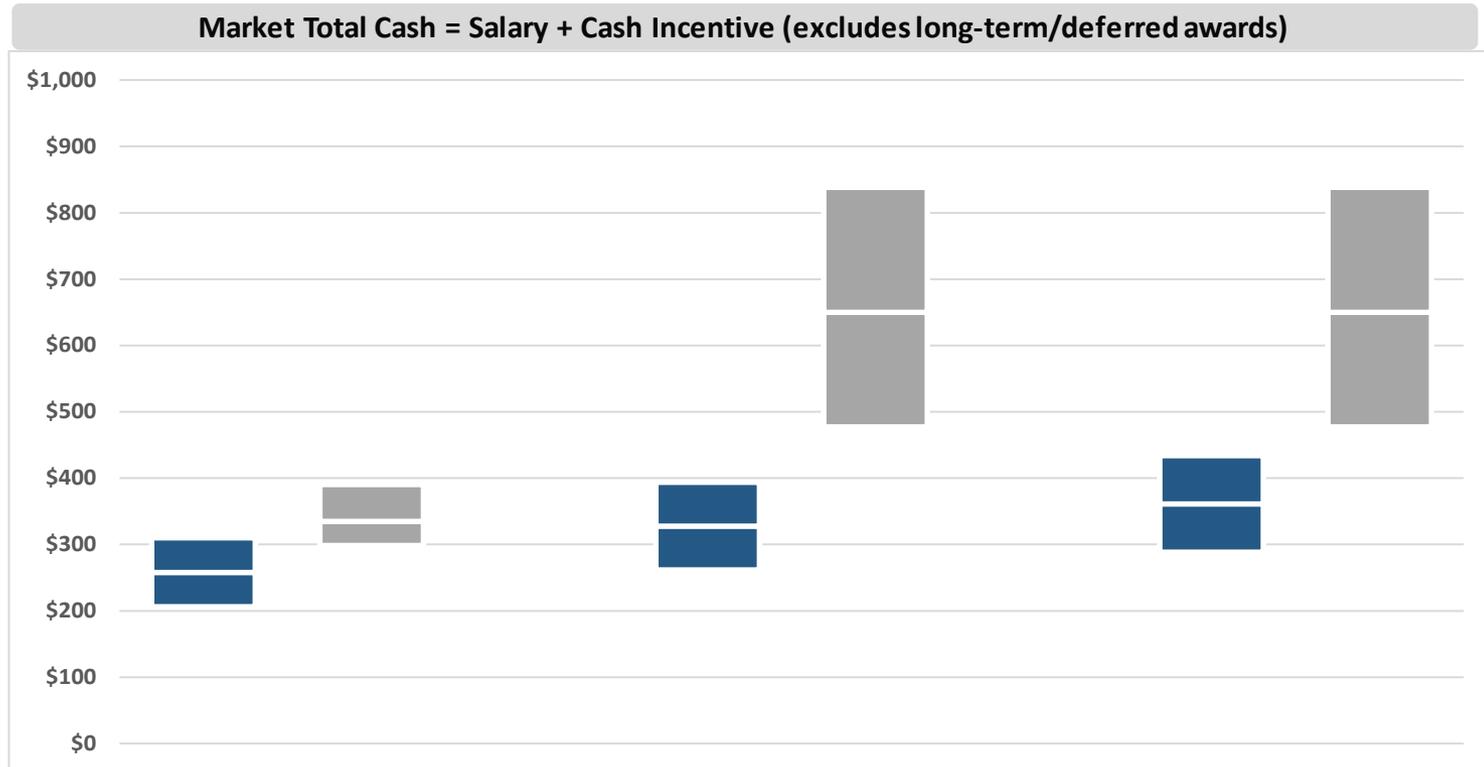
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$375	\$429	\$476	\$1,151	\$525	\$1,151
Mid / Median	300	388	381	960	420	960
Min / 25th	225	310	286	725	315	725

Private Sector Peer Group: Chief Actuarial Officer

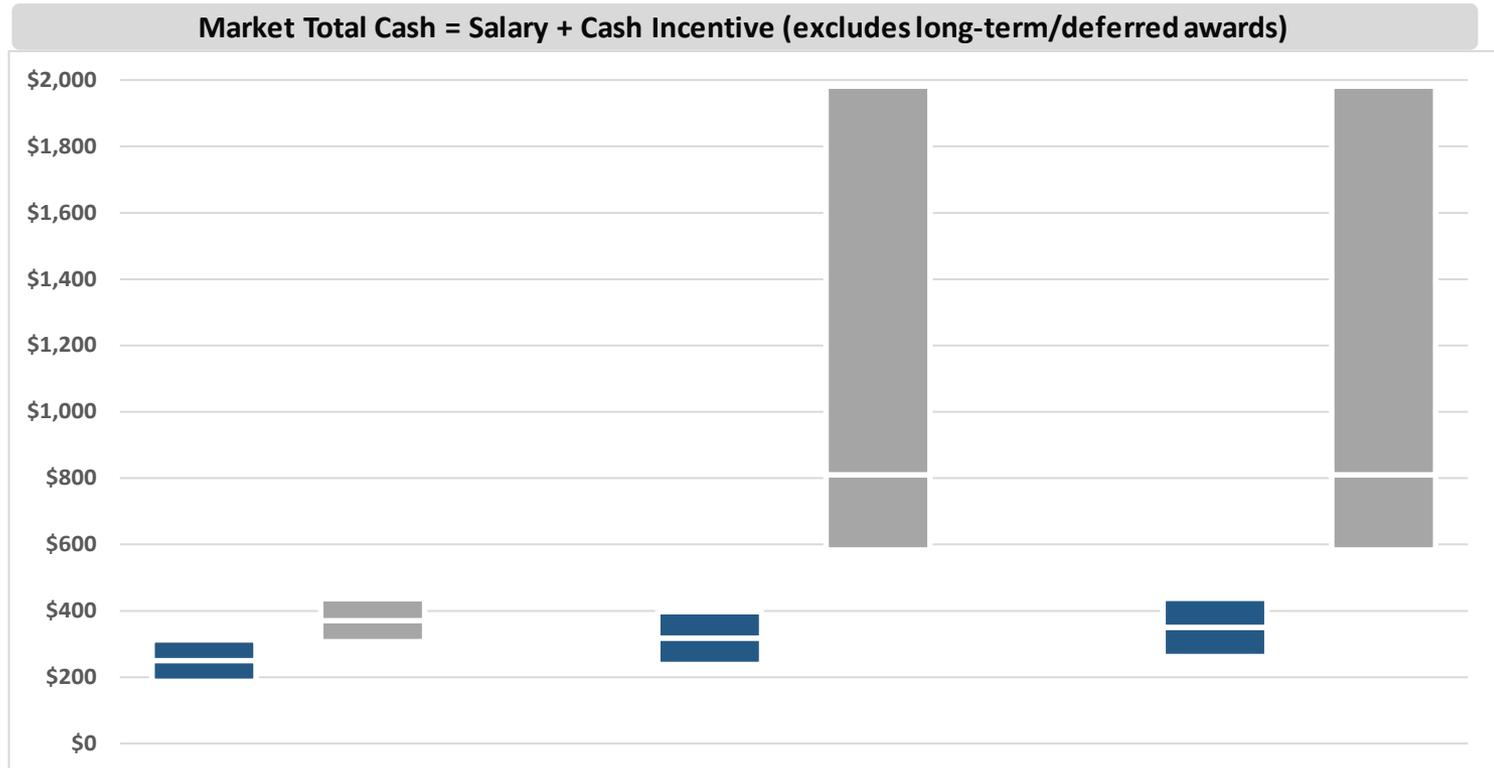
\$000s



	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$310	\$391	\$394	\$838	\$434	\$838
Mid / Median	258	335	328	650	361	650
Min / 25th	206	298	262	478	288	478

Private Sector Peer Group: COO

\$000s

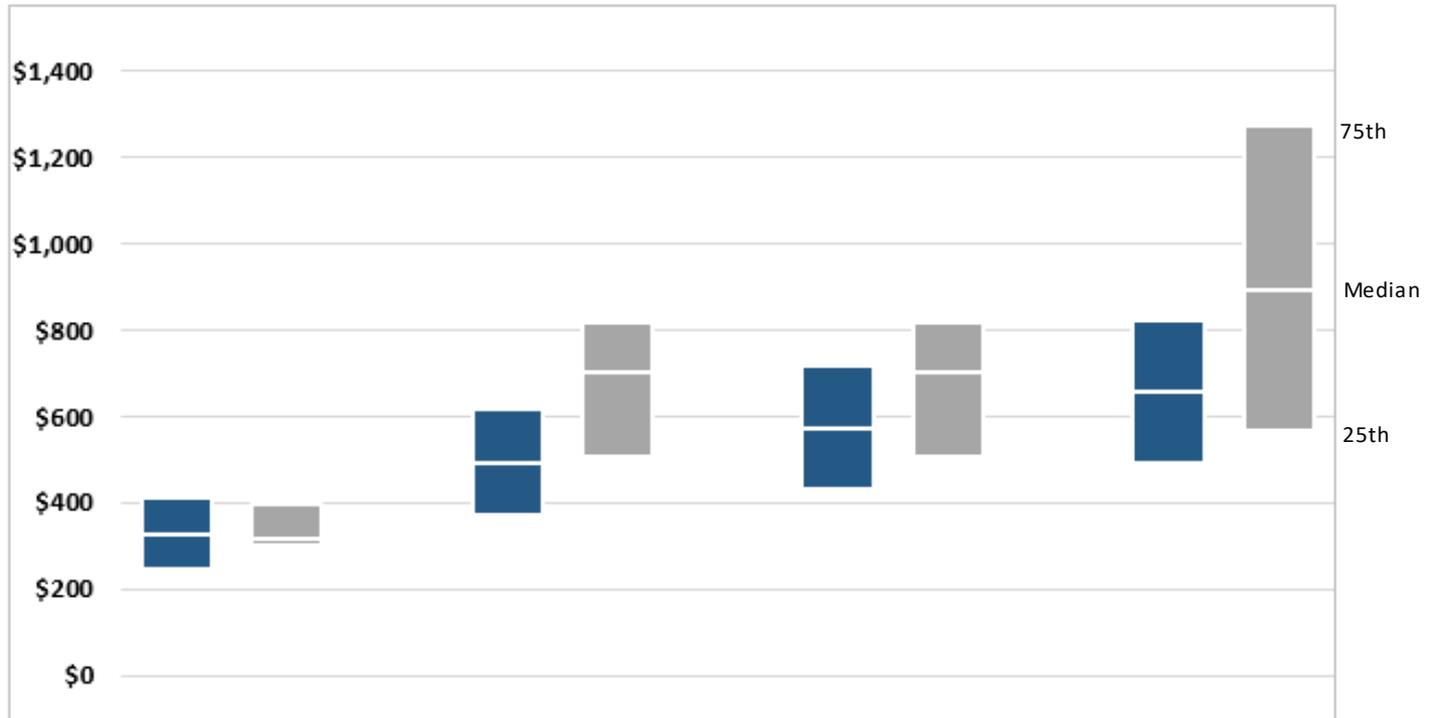


	Salary		Salary + Target		Salary + Max	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$313	\$436	\$397	\$1,982	\$438	\$1,982
Mid / Median	250	370	318	810	350	810
Min / 25th	188	308	238	583	263	583

Appendix II: Additional Investment Position

Investment Management Positions: Chief Operating Investment Officer

\$000s



	Salary		Salary + Target Tcash		Salary + Max TCash		Salary + Target TComp	
	CalPERS	Mkt Salary	CalPERS	Mkt Tcash	CalPERS	Mkt Tcash	CalPERS	Mkt TComp
Max / 75th	\$410	\$397	\$615	\$818	\$718	\$818	\$820	\$1,275
Mid / Median	328	315	492	702	574	702	656	893
Min / 25th	246	299	369	509	431	509	492	565

Note: CalPERS Total Comp = Salary + Annual Incentive at Target + Long-term at Target

Appendix III: Peer Groups

Executive Management Peer Group
 Summary

Executive Management Peer Group Summary			
	Public Sector	Private Sector	Combined
Government			
Leading US Public Funds	✓		✓
Leading Canadian Public Funds	✓		✓
CA-based Agencies	✓		✓
For Profit			
Banks		✓	✓
Insurance Companies		✓	✓

Executive Management Peer Group
California-based Agencies

California-based Agency Comparators		
Agency	Governed by a Board	Independent Pay Authority
Bay Area Rapid Transit (BART)	✓	✓
City of Los Angeles	✓	
County of Los Angeles	✓	✓
Covered California (California Health Benefit Exchange)	✓	
East Bay Municipal Utility District	✓	✓
Los Angeles County Employee Retirement System (LACERA)	✓	✓
Los Angeles Department of Water and Power (LADWP)	✓	
Sacramento Municipal Utility District (SMUD)	✓	
San Diego City Employees' Retirement System (SDCERS)	✓	
Santa Barbara County Employees' Retirement System (SBCERS)	✓	
State Compensation Insurance Fund (SCIF)	✓	

Executive Management Peer Group
Public Firms

Public Sector		
		AUM (\$B)
Canadian Pension Plan Investment Board	Canadian Pension Fund	\$371.3
Caisse de depot et placement du Quebec	Canadian Pension Fund	285.1
CA State Teachers' Retirement System	US Public Fund	283.4
Teacher Retirement System of Texas	US Public Fund	176.9
Ontario Teachers Pension Board	Canadian Pension Fund	172.5
British Columbia Investment Management Corp	Canadian Pension Fund	148.7
State of Wisconsin Investment Board	US Public Fund	144.0
Virginia Retirement System	US Public Fund	92.1
State Teachers Retirement System of Ohio	US Public Fund	84.9
OMERS	Canadian Pension Fund	81.9
Healthcare of Ontario Pension Plan	Canadian Pension Fund	81.1

Investment Management Peer Group

Leading Institutional Managers		
		AUM (\$B)
Canadian Pension Plan Investment Board	Canadian Pension Fund	\$371.3
Caisse de depot et placement du Quebec	Canadian Pension Fund	285.1
CA State Teachers' Retirement System	US Public Fund	283.4
Teacher Retirement System of Texas	US Public Fund	176.9
Ontario Teachers Pension Board	Canadian Pension Fund	172.5
University of California	US Endowment	168.0
British Columbia Investment Management Corp	Canadian Pension Fund	148.7
State of Wisconsin Investment Board	US Public Fund	144.0
Virginia Retirement System	US Public Fund	92.1
Lockheed Martin Investment Management Co.	US Corp. Plan Sponsor	90.5
State Teachers Retirement System of Ohio	US Public Fund	84.9
OMERS	Canadian Pension Fund	81.9
Healthcare of Ontario Pension Plan	Canadian Pension Fund	81.1
General Motors Asset Management	US Corp. Plan Sponsor	73.4
Harvard Management Company	US Endowment	53.2
Princeton University	US Endowment	38.0
Yale University Investments	US Endowment	31.2
Stanford Management Company	US Endowment	30.3
MIT Investment Management Company	US Endowment	28.9
DuPont Capital Management	US Corp. Plan Sponsor	23.0
Duke University	US Endowment	22.9
University of Michigan	US Endowment	16.2
Washington University in St. Louis	US Endowment	15.3
Columbia University	US Endowment	14.3
University of Virginia Investment Mgmt	US Endowment	12.0

Note: This peer group also includes all advisory firms, banks, and insurance companies with AUM \$100B - \$500B.