

Diversity, Equity & Inclusion Framework Semi-Annual Update

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Summary

- Framework and philosophy introduced in March 2021
- Guided by CalPERS beliefs and principles, data, and research
- Five priority areas:



Culture



Talent
Management



Health
Equity



Supplier
Diversity



Investments

Roles, Responsibilities & Reporting

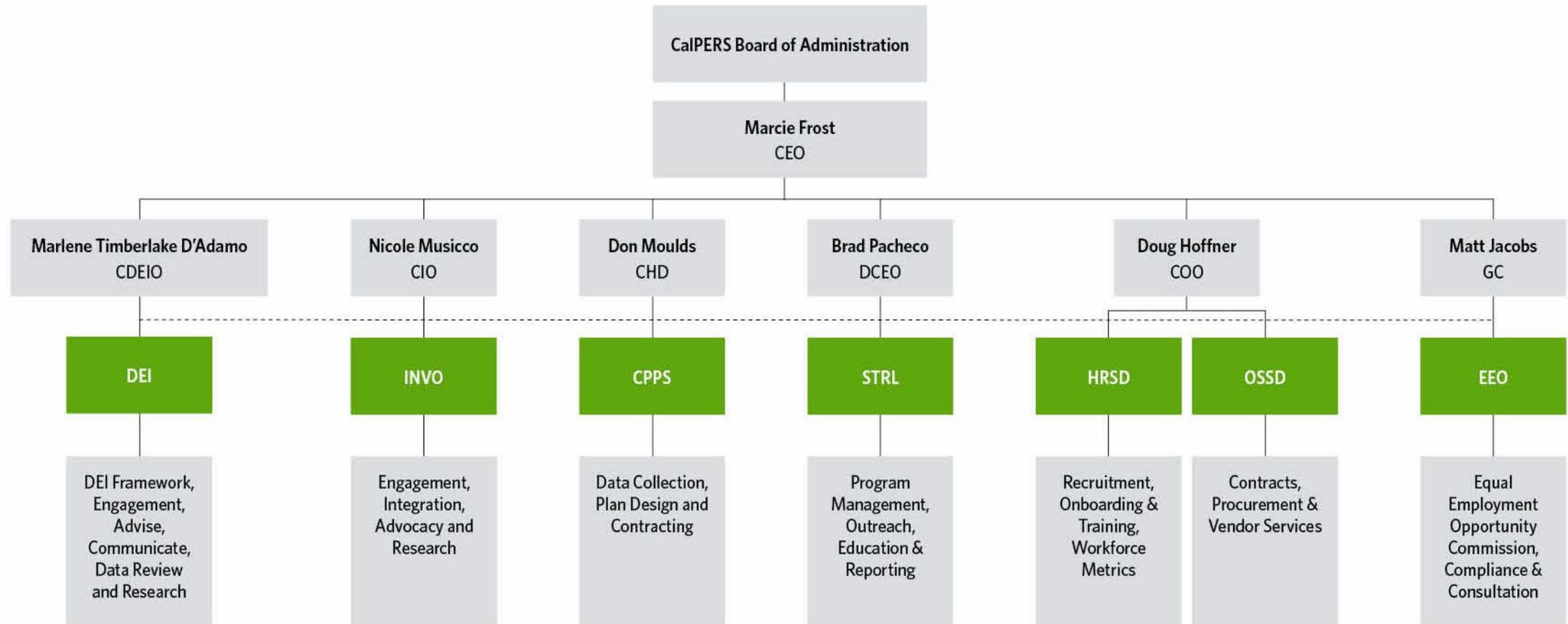
- Oversight by Chief DEI Officer
- Supported by six core functional areas:
 - Diversity and Outreach Program
 - Human Resources Division
 - Operations Support Services Division
 - Health Account Management Division
 - Investments
 - Equal Employment Office

Roles, Responsibilities & Reporting (cont'd)

- Diversity, Equity & Inclusion Council
 - CalPERS Diversity & Inclusion Group
 - CalPERS Disability Advisory Council
 - Diversity & Inclusion Steering Committee

- Board updates periodically
 - Commitment to DEI Annual Report – February/March
 - Framework Updates – March, June and September Board Meetings
 - Dashboard reporting through Insights tool

Diversity, Equity & Inclusion Framework, Semi-Annual Update





Culture: Recent Accomplishments

- 3rd Seminar: Reducing Bias in Our Organization
- Developed DEI Certificate Program
- Monthly Communication on Observances and Holidays
- Resumed DEI workshops



Culture: Recent Accomplishments (cont'd)

- Monthly ERG meetings focusing on team member interests:
 - Return to Office, Black History Month/Black Health and Wellness, Developmental Disabilities, Autism Acceptance, Asian, Pacific Islander, South Asia (APISA) Heritage
- CalPERS' Disability Advisory Committee (CDAC)
 - Participation Statewide in discussions regarding CDAC's success
- Pioneer House Community Outreach



Talent Management: Recent Accomplishments

- Developed 12 business plan initiatives across talent management, DEI and culture functions
- Completed Mandatory Onboarding Training pilot
- Promotion of mission-driven work opportunities and Health Equity video on LinkedIn
- Identified opportunity gaps via DEI Metrics data review



Talent Management: Recent Accomplishments (cont'd)

- Established DEI Recruiter Role
- Developed HR Glossary and amended CalPERS Business Glossary
- Launched a new management course for CalPERS leaders
- Implemented a new course for CalPERS team members – Strategies for Your Leadership Role



Health Equity: Recent Accomplishments

- Health Demographic Profiles Project
 - Collected more than 50,000 as of June 2022
 - Increased communication efforts toward greater HDP participation
- Health Plans – 2022 Contract Amendments
 - Instituted health equity health plan requirements for 2022
 - Race and ethnicity reporting requirements
 - National Multicultural Health Standards and Certification requirements
 - Frequent communication and collaboration with health plans

Health Equity: Recent Accomplishments (cont'd)

- Health Equity Index Strategic Measure
 - Under Development
- Proposed Health Benefit Design Changes for 2023:
 - Infertility Benefit Definition and Reproductive Health Equity Language Updates
 - Coordinating with health plans on Implementation and communication to members
- Participation in Department of Managed Health Care sponsored Health Equity and Quality Committee
 - Committee recommendations of health plan standards expected in October of 2022

Supplier Diversity: Recent Accomplishments

- Business Partner Engagement
 - Increased number of hosted bidders' conferences
 - Broadened access to bidder's conferences through both in person and on-line attendance
- SB/DVBE Engagement
 - Business networking opportunity to engage with new and diverse pool of SB/DVBEs
 - Participation in more business fair events and attending quarterly advocate meetings
 - Assisting business partners with becoming SB/DVBE certified with the Department of General Services (DGS).

Supplier Diversity: Recent Accomplishments (cont'd)

- 22nd annual State Agency Awards
 - CalPERS SB/DVBE Advocate awarded the Bronze Advocate of the Year by the California Department of General Services
 - Award for outstanding achievements in SB/DVBE advocacy and contracting

- Streamlined process for vendor completion of survey data
 - Improvement in the number of responses received for 2021-2022



Investments: Recent Accomplishments

- Integration:
 - Completed SIRI III asset class interviews and agreement on contract statement of work. Progressing contract negotiations.
 - Lenox Park 2022 External Manager Diversity & Inclusion Survey concluded.



Investments: Recent Accomplishments (cont'd)

- **Advocacy:**
 - Presented at “Partners in Policy: Strengthening Black Wall Street”. Economic Empowerment Day. 1921 Tulsa Race Massacre Centennial Commission. NASP.
 - Responded to the SEC climate-related disclosures consultation and elevated the issues of environmental racism and the treatment of indigenous people



Culture: Next Steps

- Implement DEI Certificate Program
- Define equity and educate team members
- Provide additional DEI education to senior leaders
- Continue to offer DEI workshops and resources to the enterprise



Talent Management: Next Steps (cont'd)

- Fund Inclusive Language software tool
- Research efficient ways to redact application packets
- Coordinate implementation of DEI Certification
- Implement expanded DEI metrics tracking and reporting across stakeholder groups



Health Equity: Next Steps

- Health Demographic Profile data
 - Continue focus on collection of HDP data
 - Continue communication to members on importance of HDPs
- Assessment and advancement of health equity efforts
 - Across health plans
 - Create & implement health equity and quality measure standards
 - Formation of Health Equity Advisory Council
- Develop Request For Proposal for HMO plans
 - Inclusion of increased health equity requirements that align with other CA health care purchasers



Supplier Diversity: Next Steps

- Increase outreach efforts to promote state procurement opportunities to interested vendors
- Assist vendors in becoming a certified small business/DVBE vendor
- Increase vendor participation completing CalPERS annual survey that captures vendor demographic information



Investments: Next Steps

- Engagement
 - Continue to engage companies to improve corporate board diversity and use proxy voting and shareowner campaigns for change
 - Continue to partner with CalSTRS, LACERA and SFERS on the California Board Diversity Initiative to improve board diversity of historically underrepresented groups at S&P 500 companies



Investments: Next Steps (cont'd)

- Advocacy
 - Respond to the Securities and Exchange Commission's Human Capital consultation promoting enhanced human capital reporting
- Engagement
 - Support Racial Equity Audits during proxy season

Framework Next Steps

- Develop Diversity, Equity & Inclusion Framework Reporting
 - Annual Diversity & Inclusion Reporting and Workforce Demographics
- Continue data review
- Continue development of measures and benchmarks
- Build out the Office of Diversity, Equity & Inclusion

Questions