CalPERS

Investment Committee

Agenda Item 4a

November 17, 2026

Item Name: Perspectives on Investment Risk

Program: Total Fund

Item Type: Information

Executive Summary

This agenda item provides the Investment Committee of the CalPERS Board of Administration (Committee) an update on key investment risk metrics and tools used to govern and manage the investment portfolio.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan Goal – Pension Sustainability – to strengthen the long-term sustainability of the pension by supporting the Committee in its oversight role for CalPERS' investment program.

Investment Beliefs

This agenda item supports many of CalPERS' Investment Beliefs, including:

- Investment Belief 5: CalPERS must articulate its investment goals and performance measures and ensure clear accountability for their execution
- Investment Belief 7: CalPERS will take risk only where we have a strong belief we will be rewarded for it
- Investment Belief 9: Risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error

Background

This agenda item provides information to support the Committee in fulfilling several of the responsibilities delegated to it by the CalPERS Board of Administration, such as oversight of risk.

Analysis

Not Applicable

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – Perspectives on Investment Risk Presentation

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Total Fund Portfolio Management

Stephen Gilmore
Chief Investment Officer