



Staying Strategic in Volatile Times

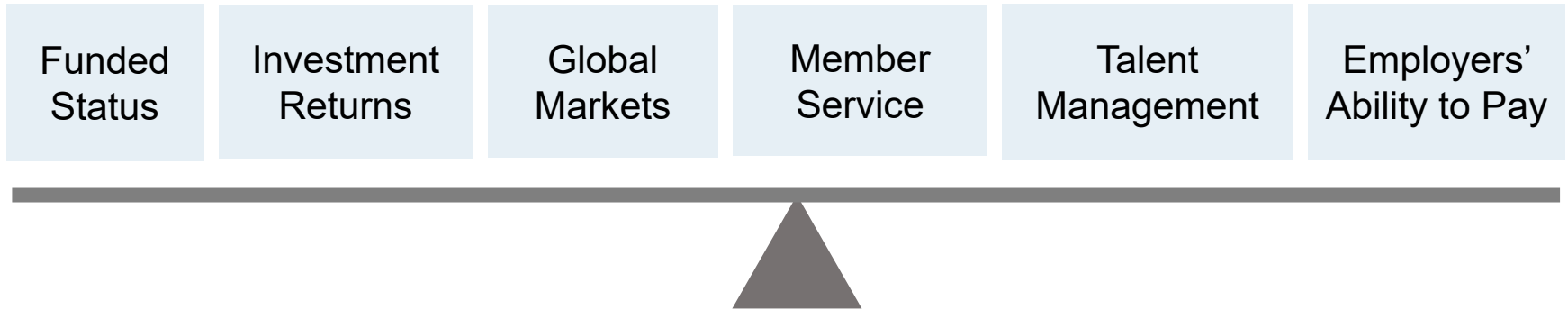
CalPERS Update

Marcie Frost, CalPERS Chief Executive Officer

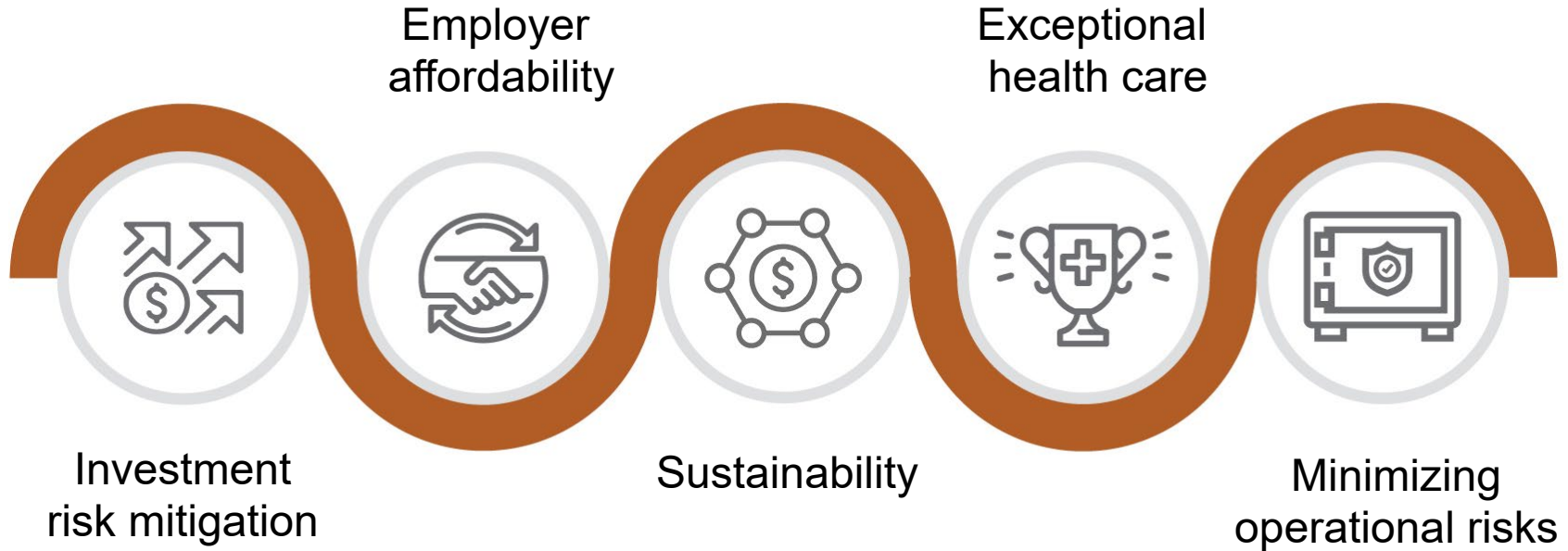


Key Indicators

Health of the System



Top Priorities



Top Priorities

Investment Risk Mitigation

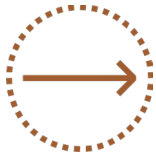


New Strategic Asset Allocation

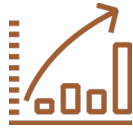
Improved Governance
Framework

Top Priorities

Employer Affordability



Smoothing



20-Year
Amortization



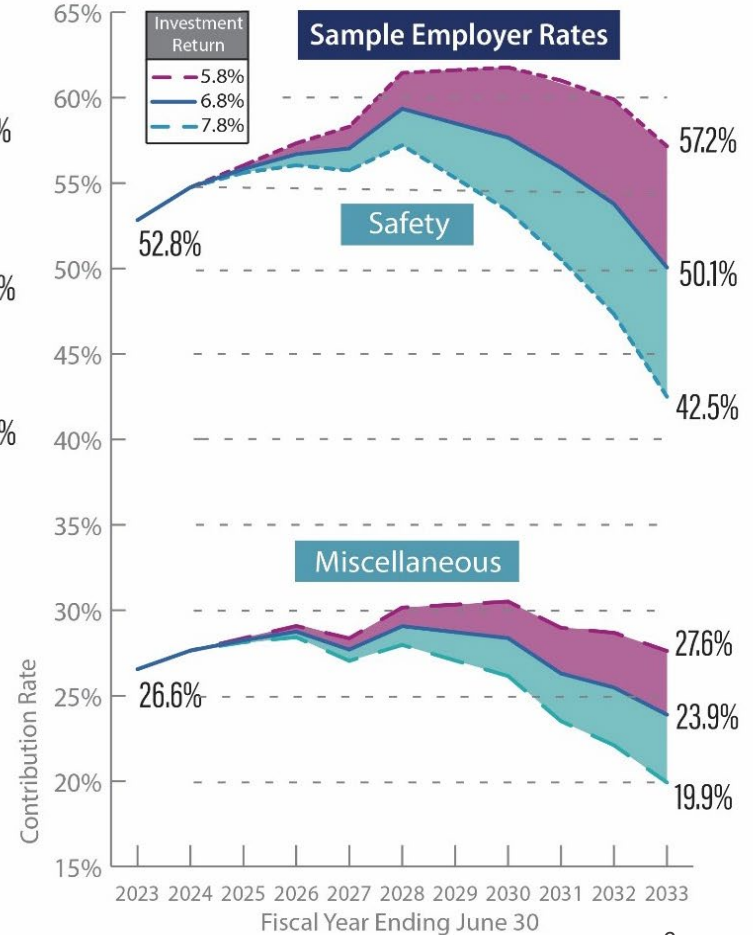
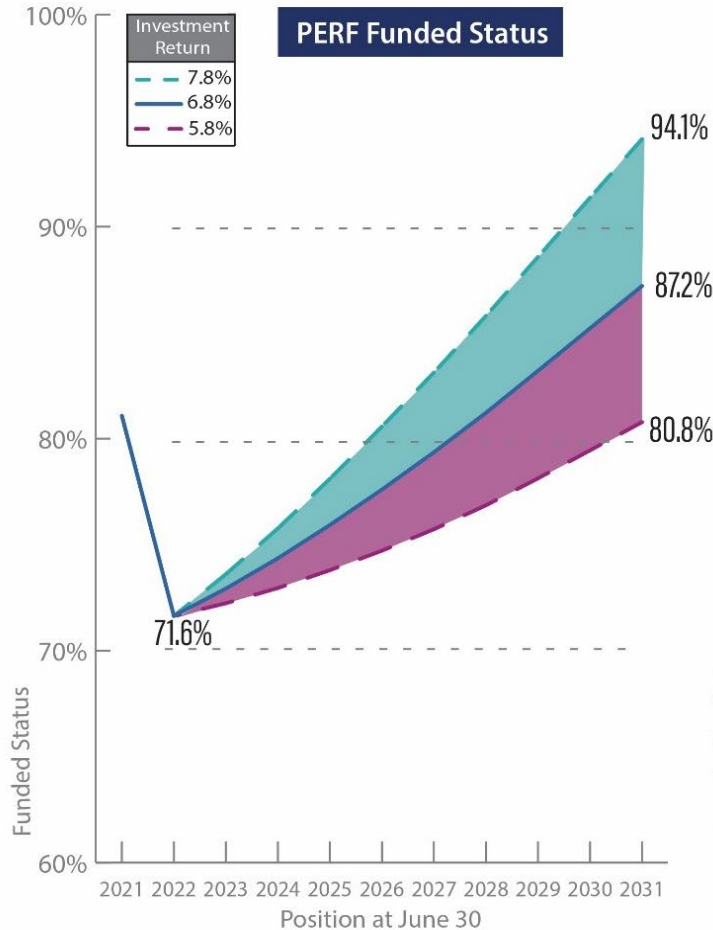
Funding
Programs



Pension
Tools

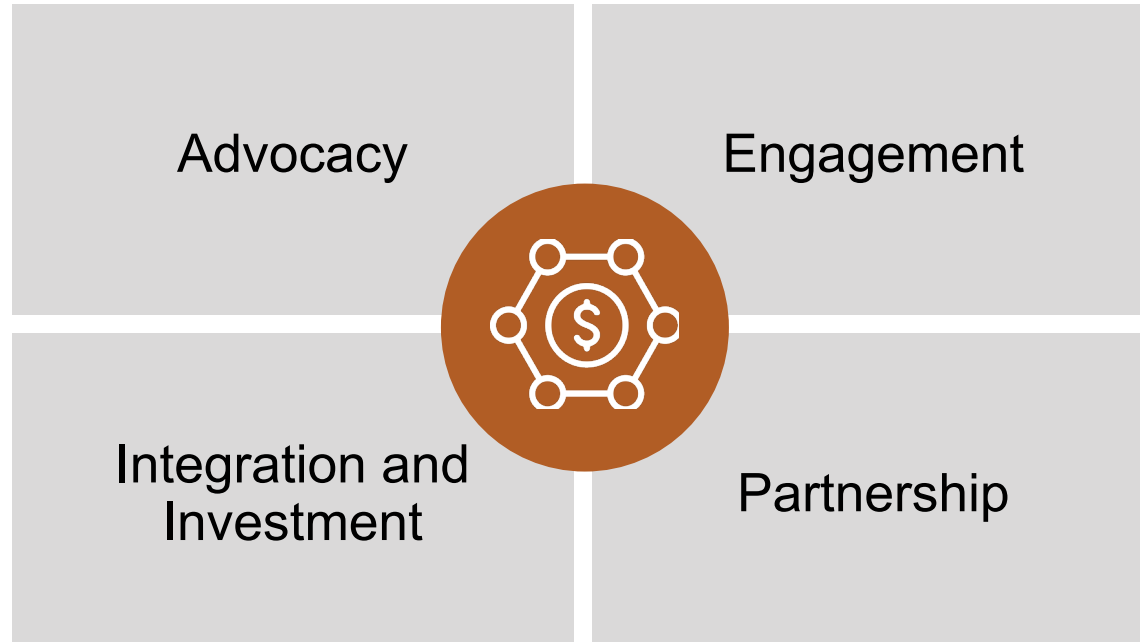
10 Year Projections - Funded Status and Public Agency Employer Rates

Our Board
Monitors the
Fund and
Employer
Contribution
Rate Impacts



Top Priorities

Sustainable Investing Approach



Area of Focus: Private Assets

- Ownership in non-publicly traded companies or physical assets
- Typically held over longer-investment horizons with limited liquidity
- Increasingly important part of Global markets

Allocation	Asset
50%	Global Equity
28%	Fixed Income
13%	Real Assets
8%	Private Equity
0%	Private Debt
1%	Liquidity

Prior Strategic Asset Allocation



*Increased allocation
to Private Markets
in new SAA*

Allocation	Asset
42%	Global Equity
30%	Fixed Income
15%	Real Assets
13%	Private Equity
5%	Private Debt
0%	Liquidity

Current Strategic Asset Allocation, incl 5% allocation to Leverage. As of 07/01/2022

A Recent Strategic Win-Win

Investment in the Next Generation of Diverse Talent



\$1 billion capital commitment to TPG and Grosvenor, two long-standing general partners; used to fund emerging managers and entrepreneurs



Fosters innovation, expands reach into private markets, and helps generate returns for our members



Leads to our June 2023 industry event partnering global allocators with investors and emerging leaders

2023 Outlook

Increased focus on private markets to maximize investment returns

Mitigating investment risk and continued market volatility

Navigating continued pressure for divestment and anti-ESG rhetoric

Health care costs, quality and equity

Enhanced services for members and employers

Questions