

AON



Executive & Investment Positions Compensation Review

March 2025



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
 Managing Investment Director
 Investment Director
 Investment Manager
 Associate Investment Manager

- This report includes the competitive 25th, 50th (median), and 75th percentiles for base salary and base salary + cash incentives, and in a 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.



Methodology

- McLagan assembled pay data from our 2024 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.
- It is important to note that CalPERS approved updated peer groups and McLagan assembled pay data for these groups, specifically for:

Executive positions:

- Leading US and Canadian public pension funds (weighting = 1/3)
- California-based agencies, including large local agencies, assembled by CalPERS staff (weighting = 1/3)
- For-Profit private sector firms, including the asset management business within banks and insurance companies (weighting = 1/3)
- Combined peer group of leading US and Canadian public pension funds, California-based agencies, and for-profit private sector firms

Investment management positions:

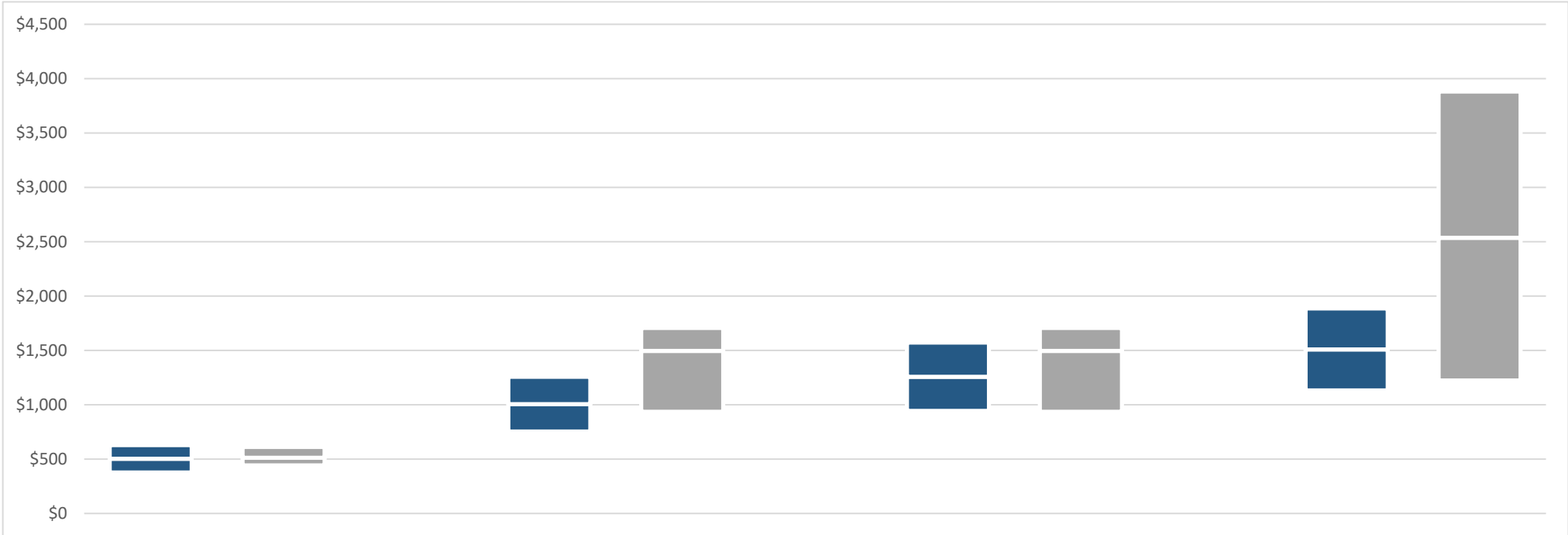
- Large and complex institutional investors including US public funds and Canadian public funds (with approximately \$100B AUM and at least 25% active internal management), leading university endowments and corporate plan sponsors (weighting = 2/3)
- Private sector asset management organizations of comparable size (i.e., AUM 33% - 125% of CalPERS' AUM), including: investment management/advisory firms, insurance companies and banks (weighting = 1/3)
- Combined peer group of large and complex institutional investors and private sector asset management organizations of a similar size

Executive Positions

Combined Peer Group Data

Combined Peer Group CEO

\$000s

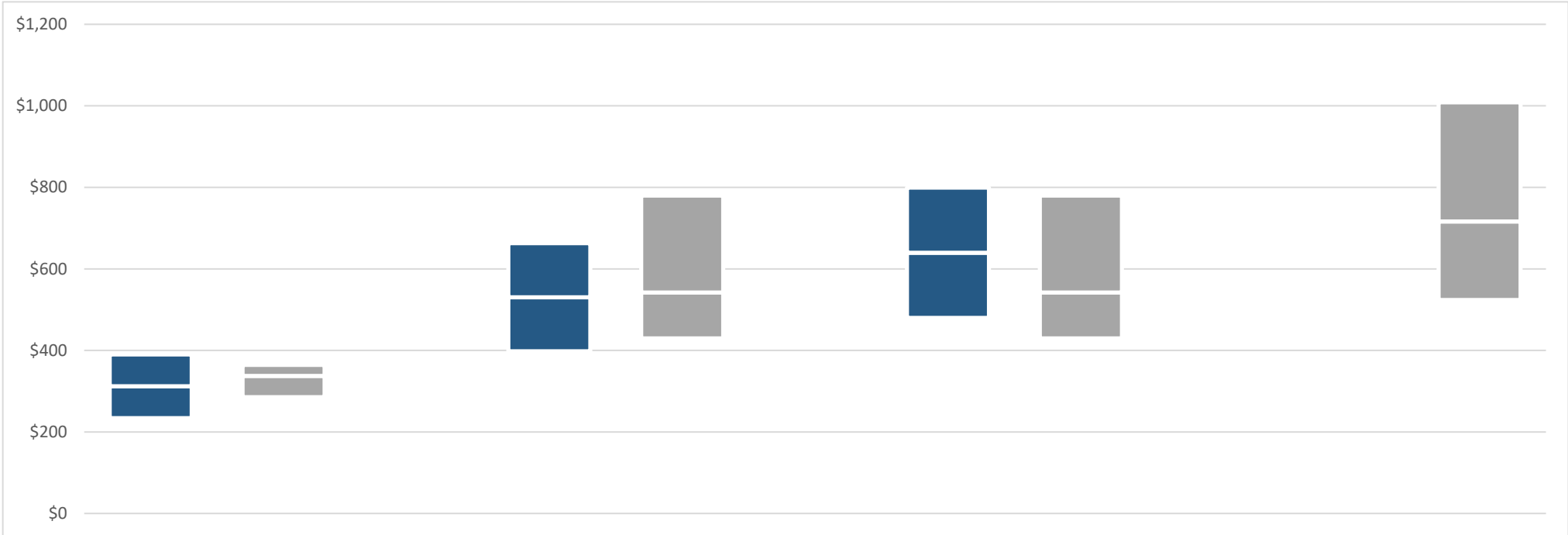


	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$611	\$1,258	\$1,707	\$1,572	\$1,707	\$1,886	\$3,881
Mid / Median	503	513	1,006	1,496	1,258	1,496	1,509	2,536
Min / 25th	377	442	755	936	943	936	1,132	1,224



Combined Peer Group CFO

\$000s

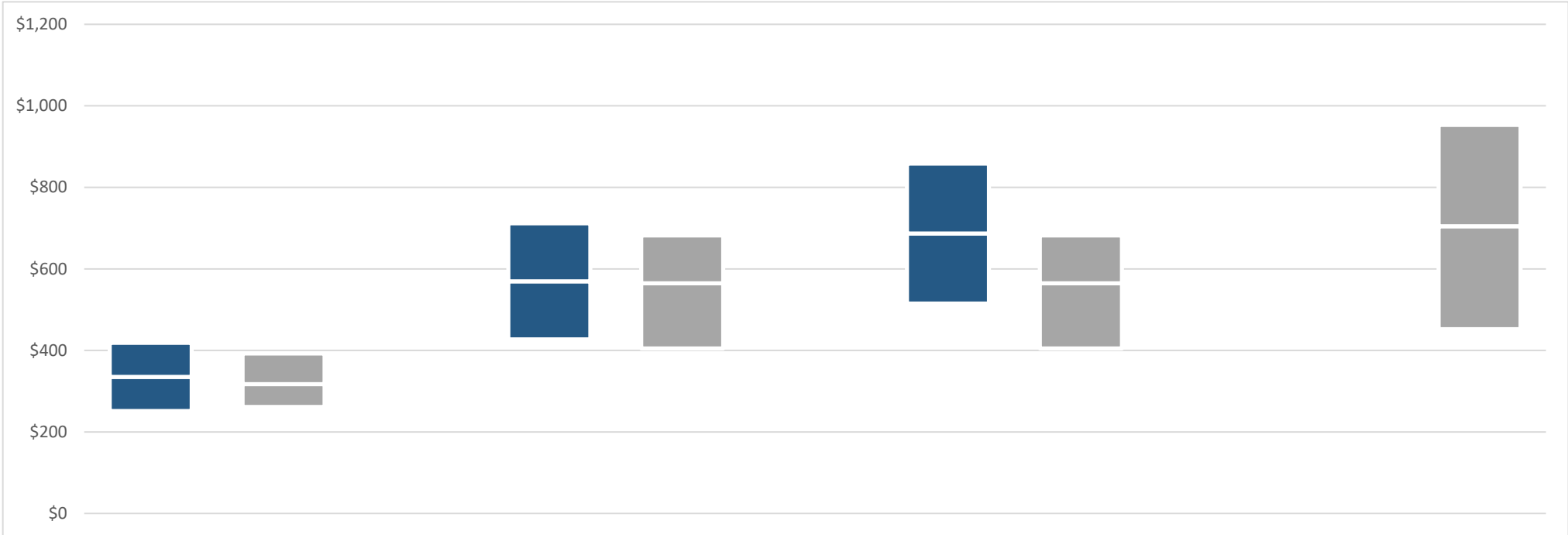


	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$390	\$365	\$663	\$780	\$800	\$780	\$1,009
Mid / Median	312	337	530	542	640	542	716
Min / 25th	234	285	398	429	480	429	524



Combined Peer Group General Counsel

\$000s

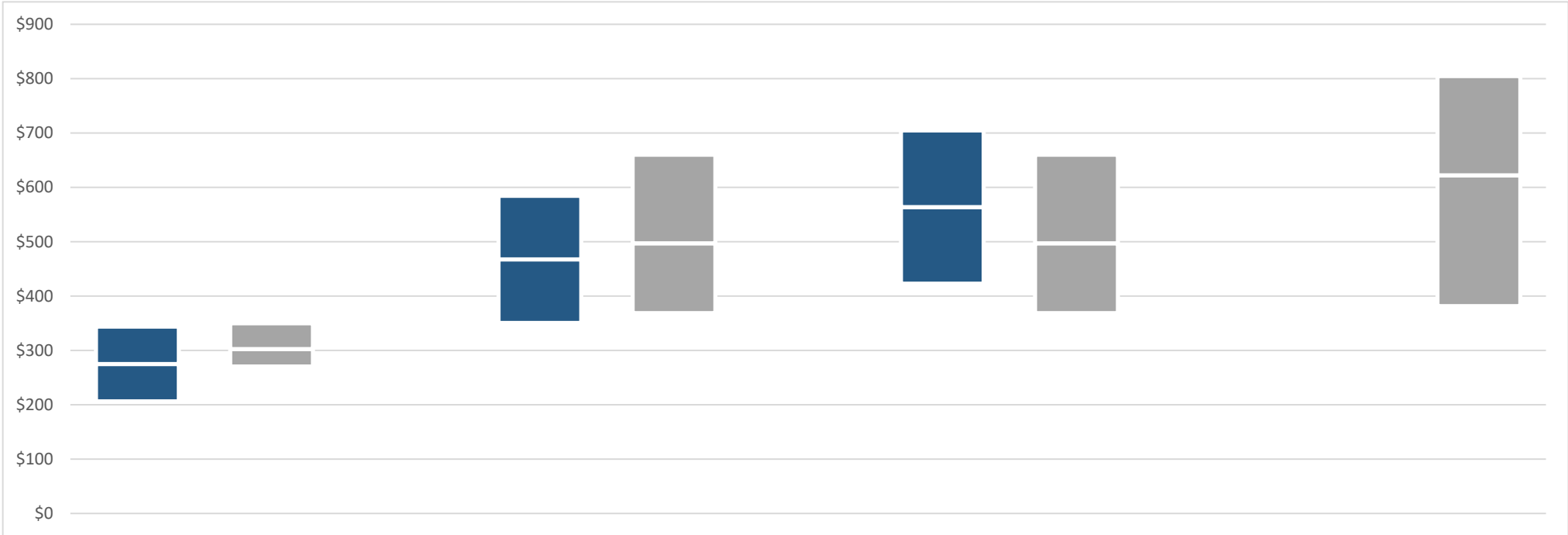


	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$393	\$712	\$682	\$858	\$682	\$953
Mid / Median	335	317	570	565	687	565	705
Min / 25th	251	261	427	405	515	405	452



Combined Peer Group Chief Actuary Officer

\$000s

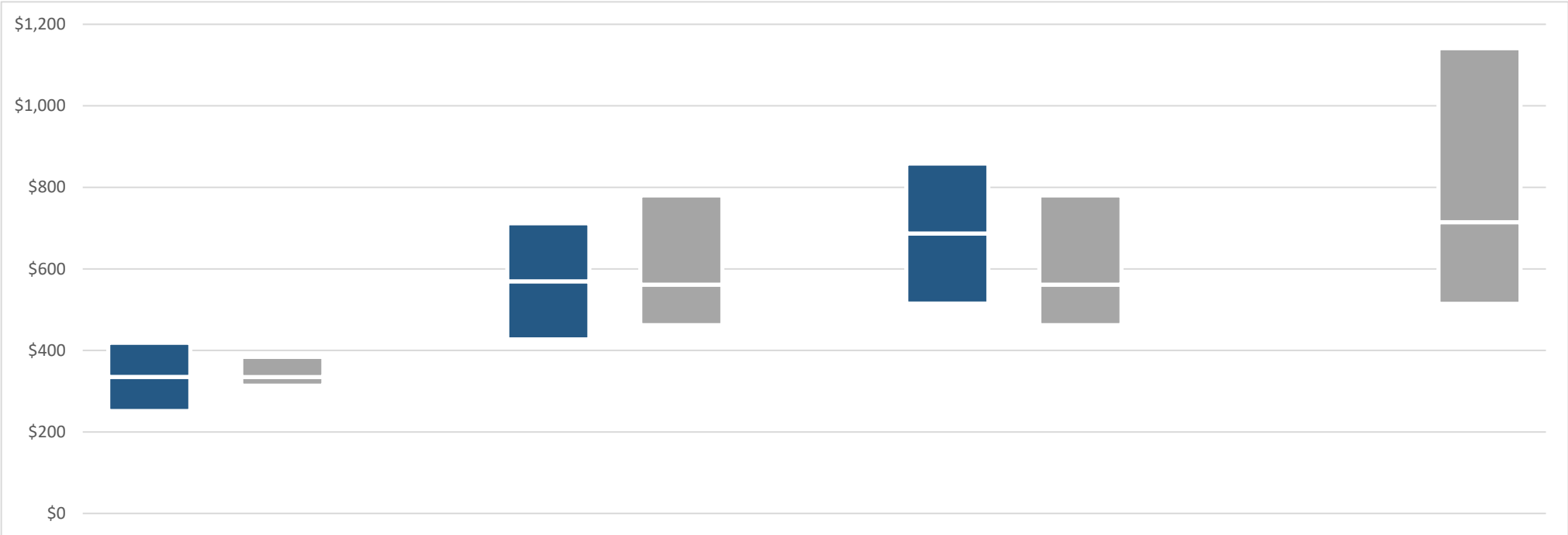


	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$344	\$350	\$584	\$660	\$705	\$660	\$805
Mid / Median	275	302	468	497	564	497	622
Min / 25th	206	270	351	369	423	369	381



Combined Peer Group COO

\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$384	\$712	\$780	\$858	\$780	\$1,141
Mid / Median	335	335	570	561	687	561	714
Min / 25th	251	314	427	462	515	462	514



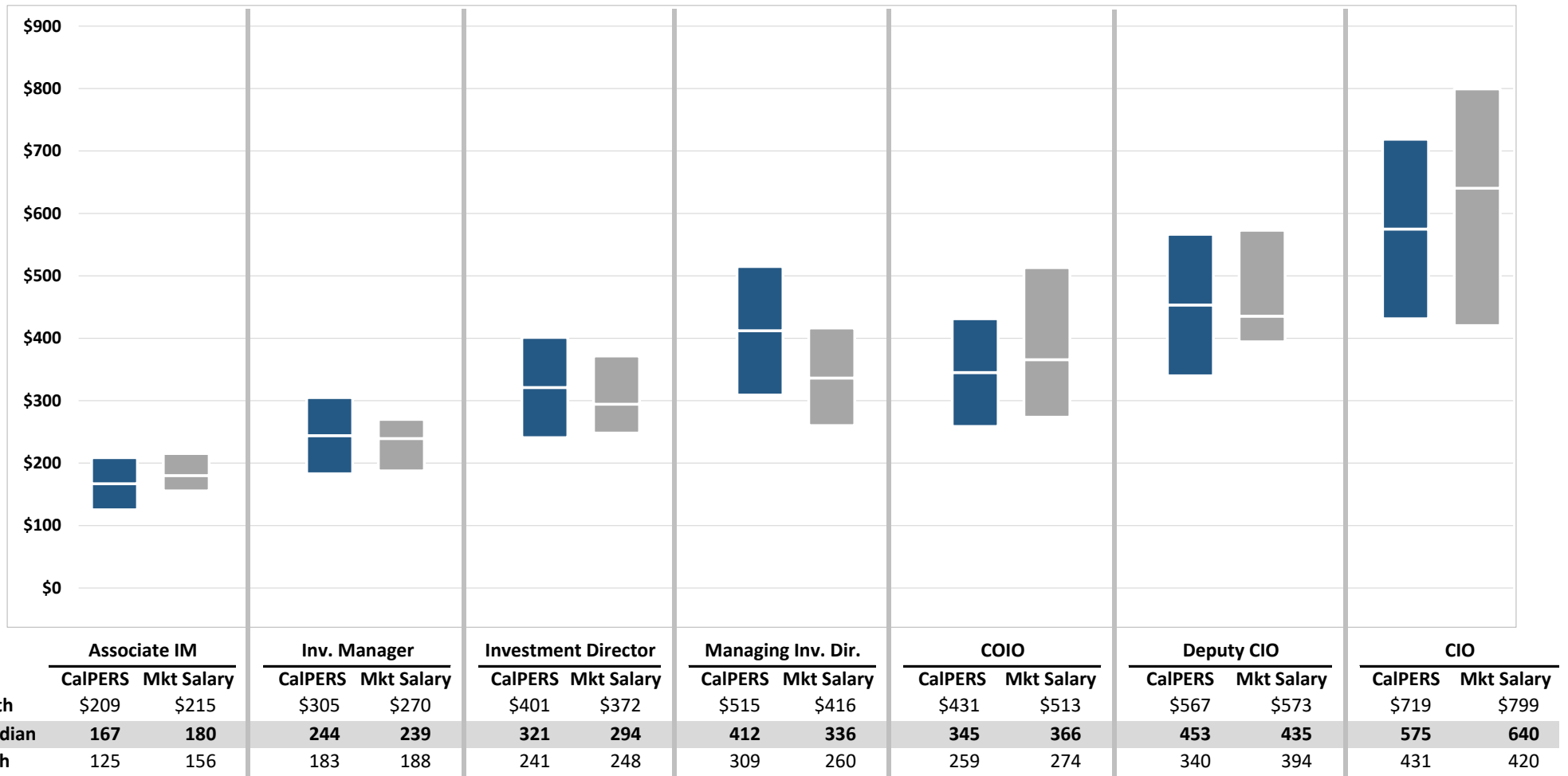
Investment Management Positions

Combined Peer Group Data

Combined Peer Group Data

Investment Management Positions Salary vs. Market Salary

\$000s

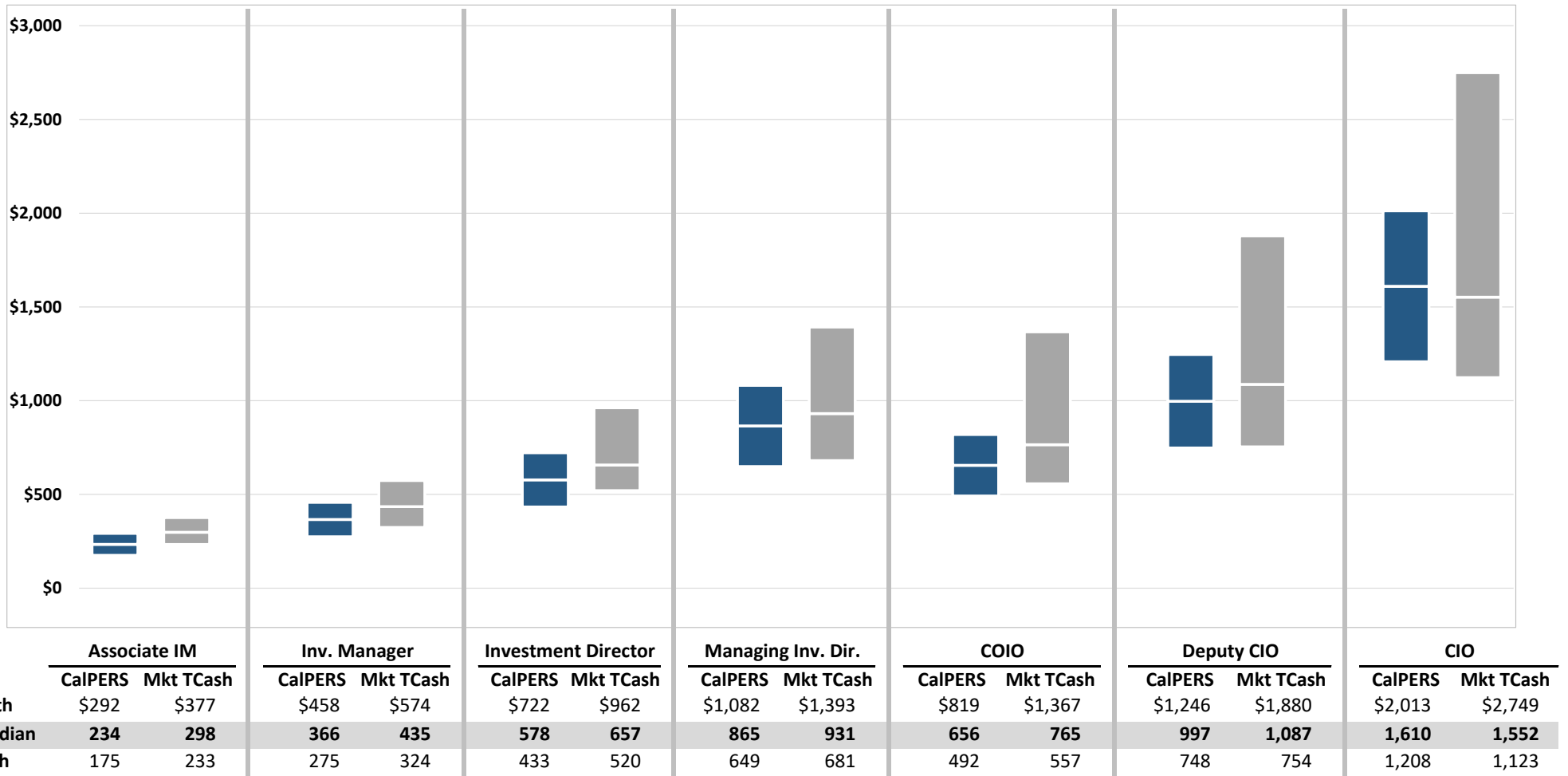


Combined Peer Group Data

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

Market Total Cash = Salary + Cash Incentive (excludes long-term/deferred awards)

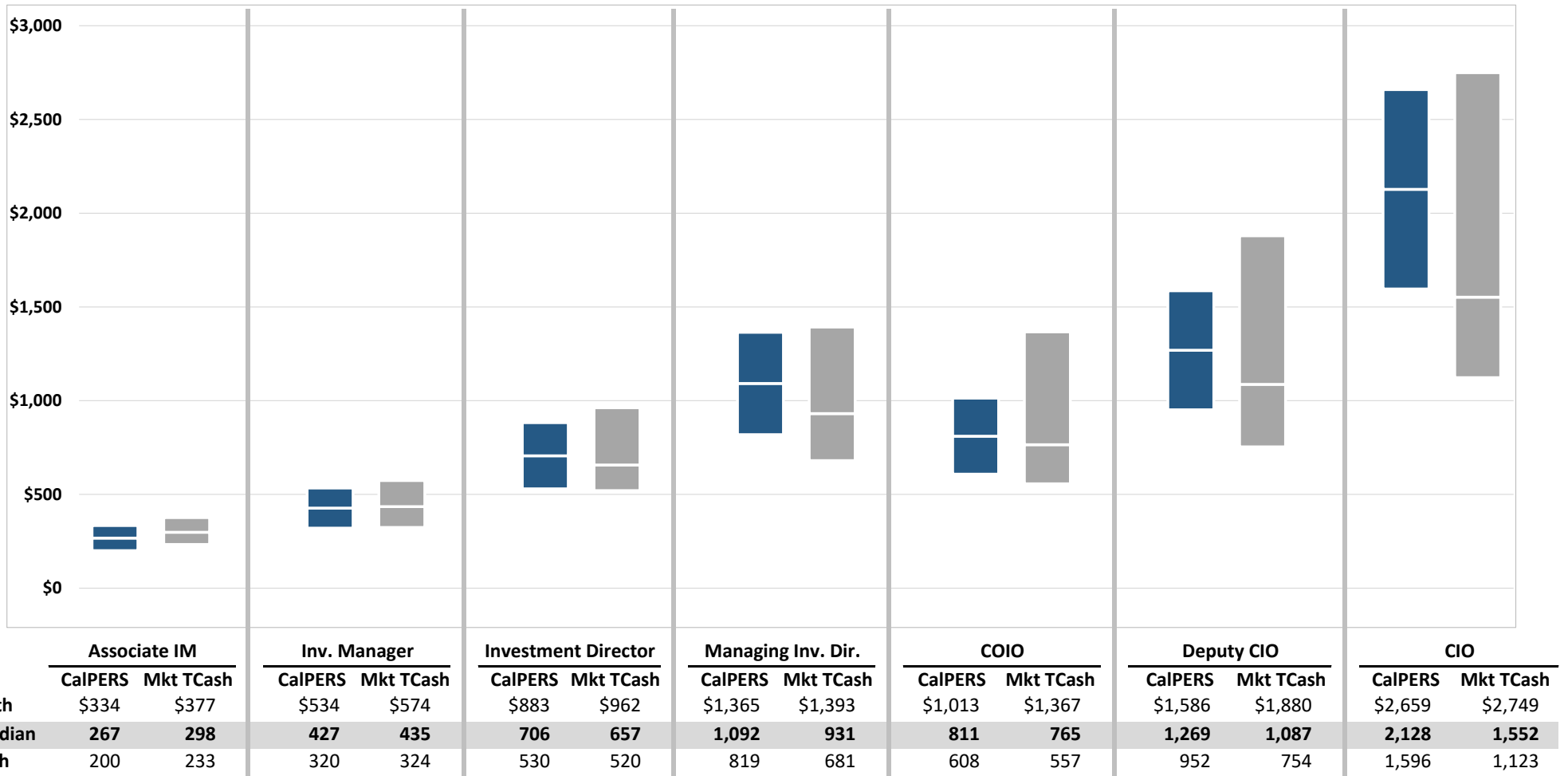
\$000s



Combined Peer Group Data

Investment Management Positions Max T. Cash vs. Market T. Cash

\$000s



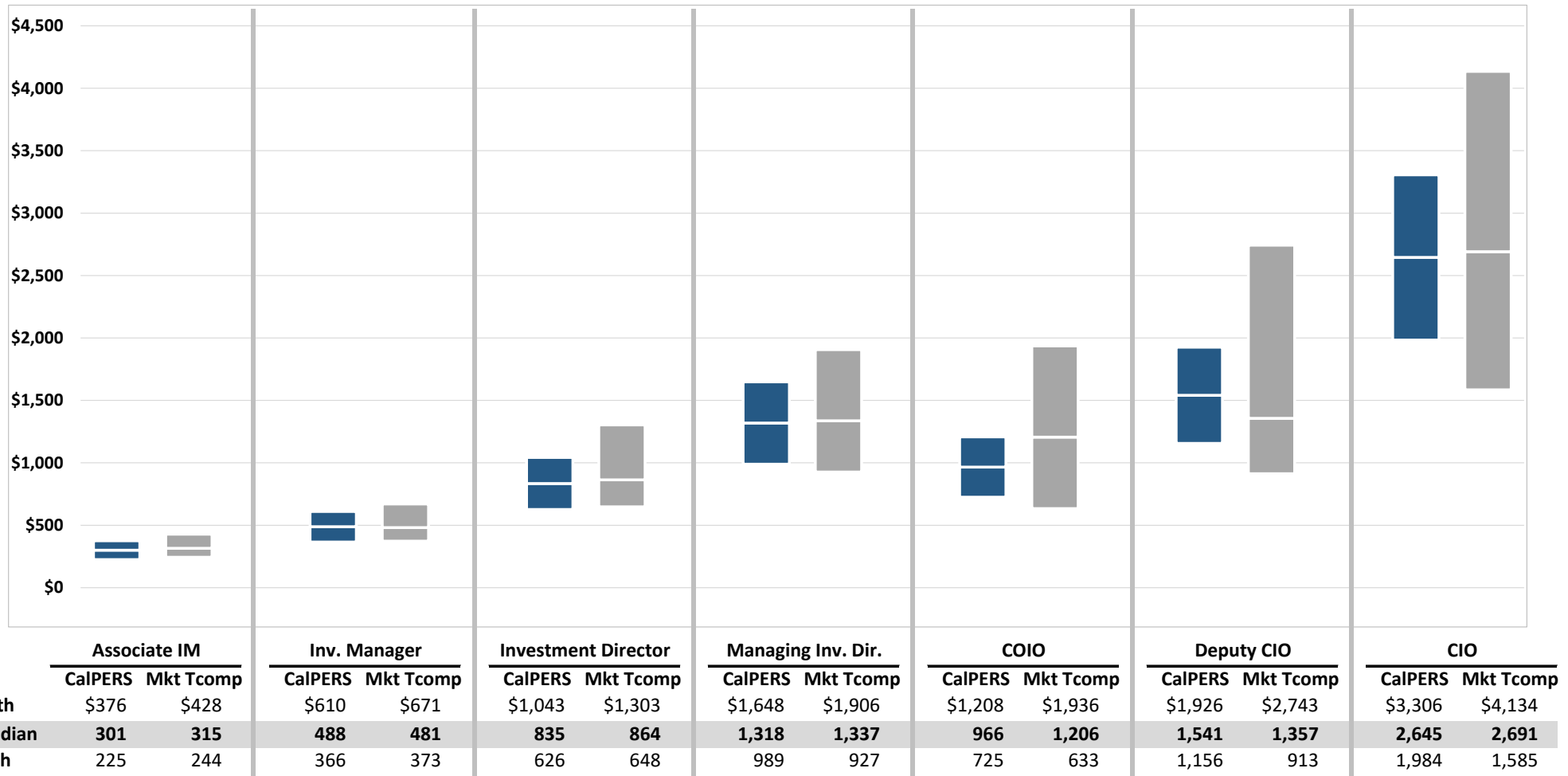
Combined Peer Group Data

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

\$000s

Market Total Comp = Salary + Cash Incentive + Long-term/Deferred Awards

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



Appendix I

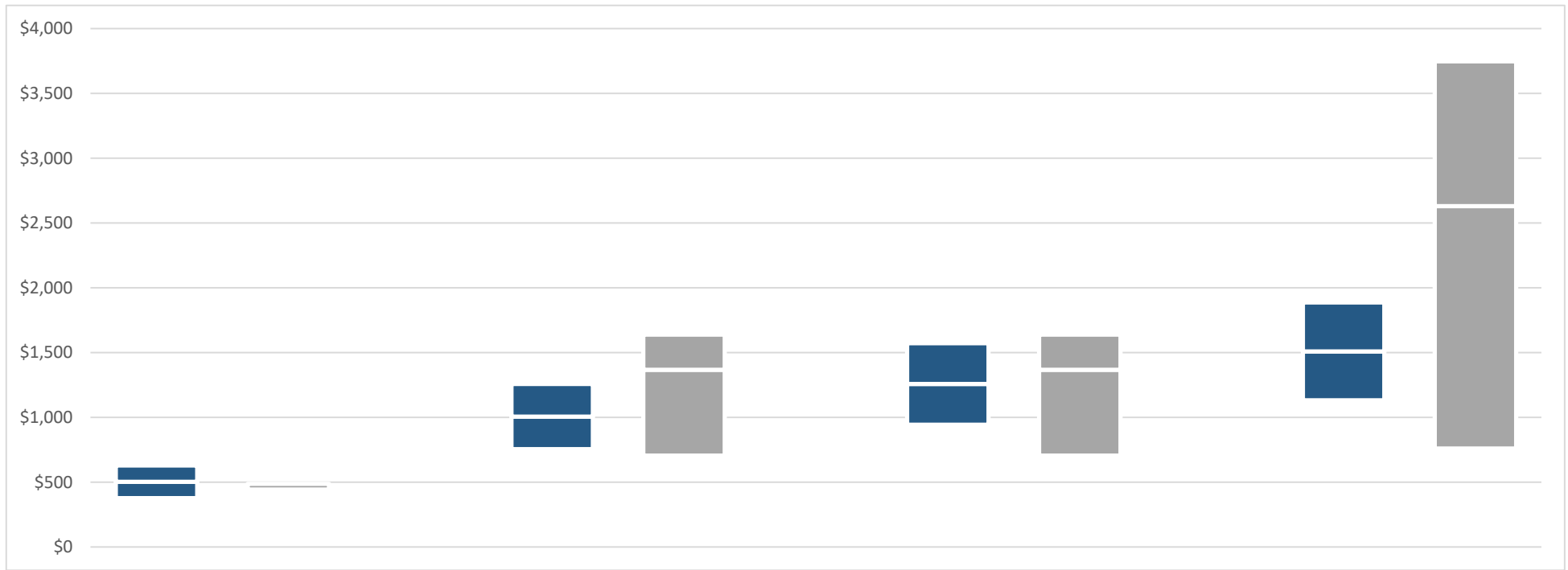
Executive Positions

Executive Positions

US & Canadian Public Fund Peer Group Data

Public Fund Peer Group CEO

\$000s



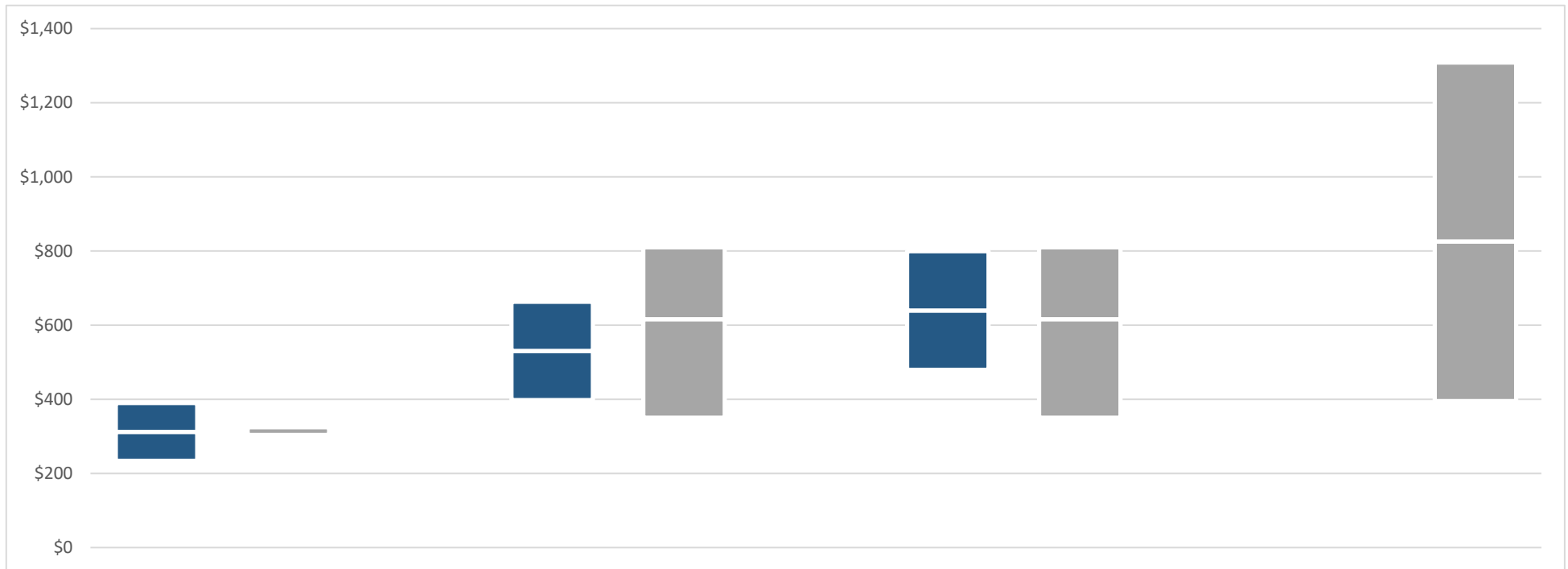
	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$487	\$1,258	\$1,638	\$1,572	\$1,638	\$1,886	\$3,747
Mid / Median	503	443	1,006	1,367	1,258	1,367	1,509	2,630
Min / 25th	377	424	755	706	943	706	1,132	760

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



Public Fund Peer Group CFO

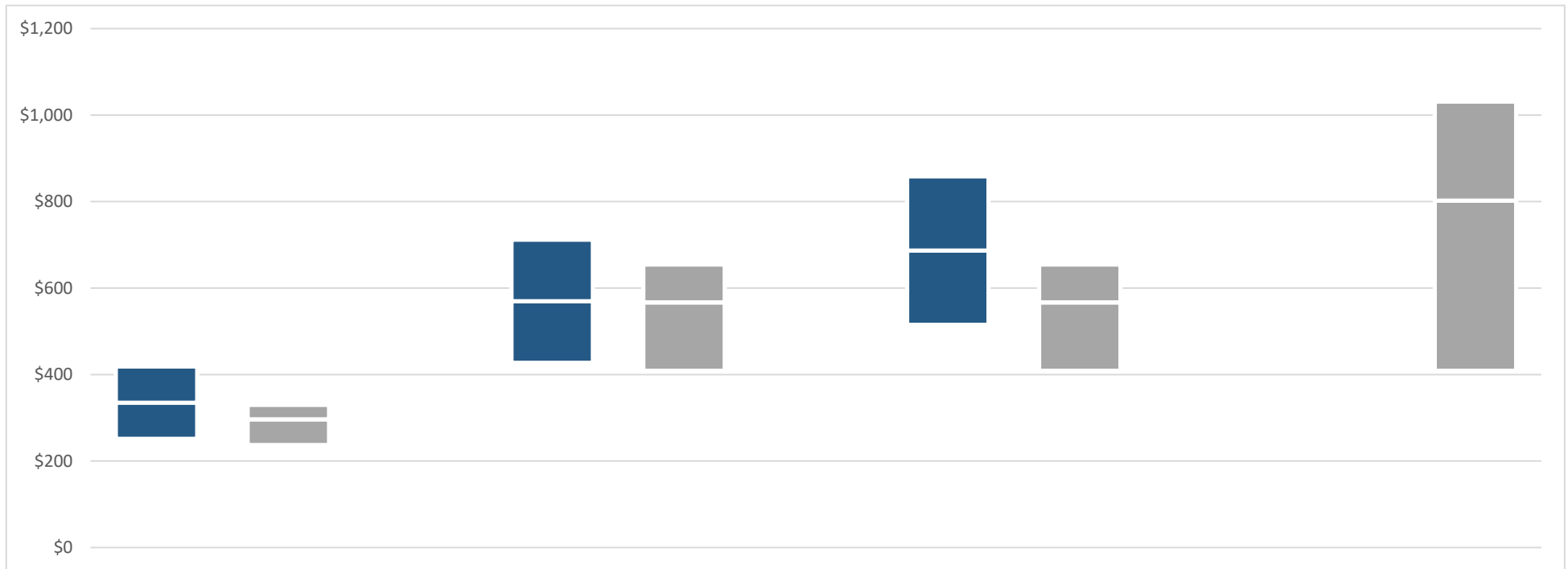
\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$390	\$334	\$663	\$810	\$800	\$810	\$1,308
Mid / Median	312	325	530	616	640	616	826
Min / 25th	234	304	398	350	480	350	395

Public Fund Peer Group General Counsel

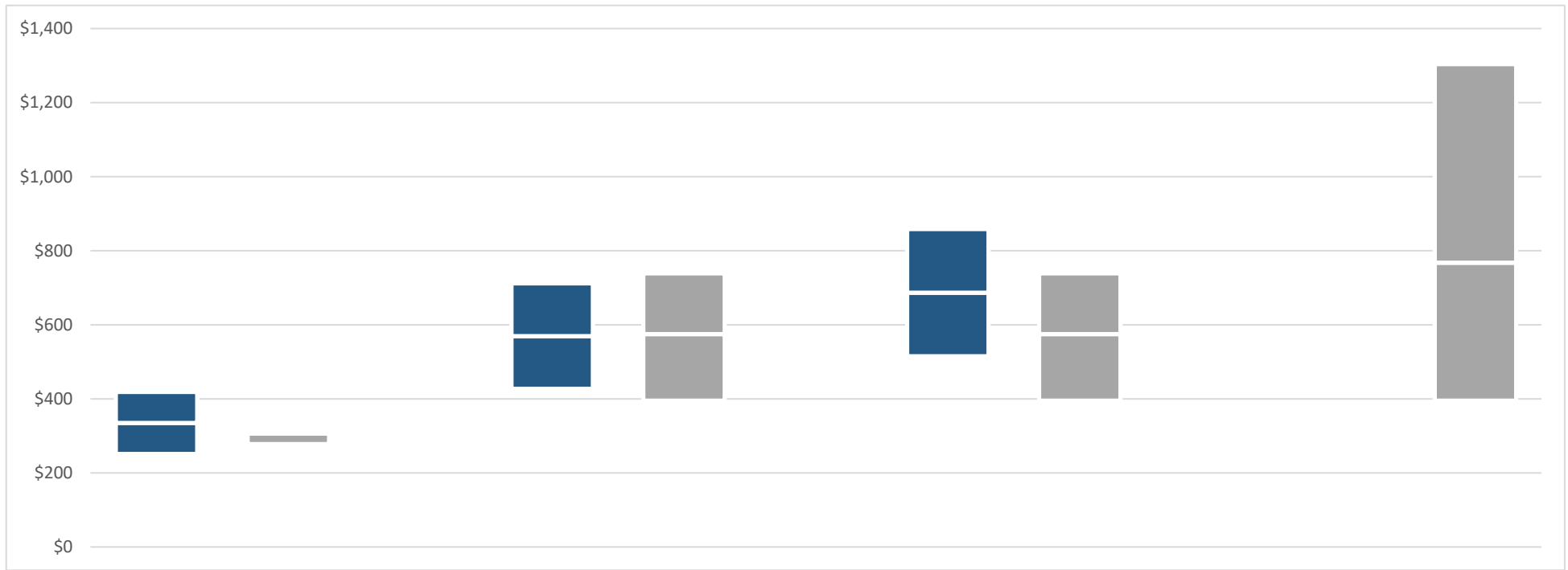
\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$330	\$712	\$655	\$858	\$655	\$1,031
Mid / Median	335	296	570	567	687	567	802
Min / 25th	251	237	427	409	515	409	409

Public Fund Peer Group COO

\$000s



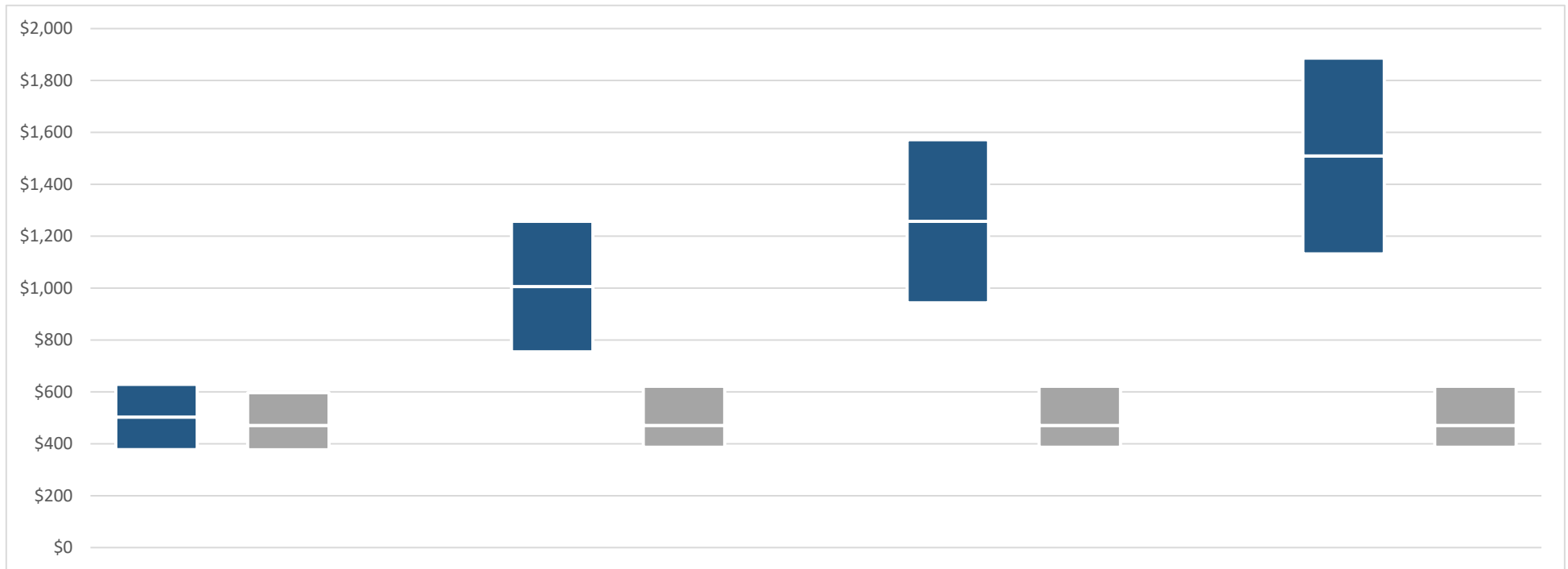
	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$316	\$712	\$739	\$858	\$739	\$1,304
Mid / Median	335	307	570	575	687	575	768
Min / 25th	251	278	427	395	515	395	395

Executive Positions

California-based Agencies Peer Group Data

California-based Agencies Peer Group CEO

\$000s

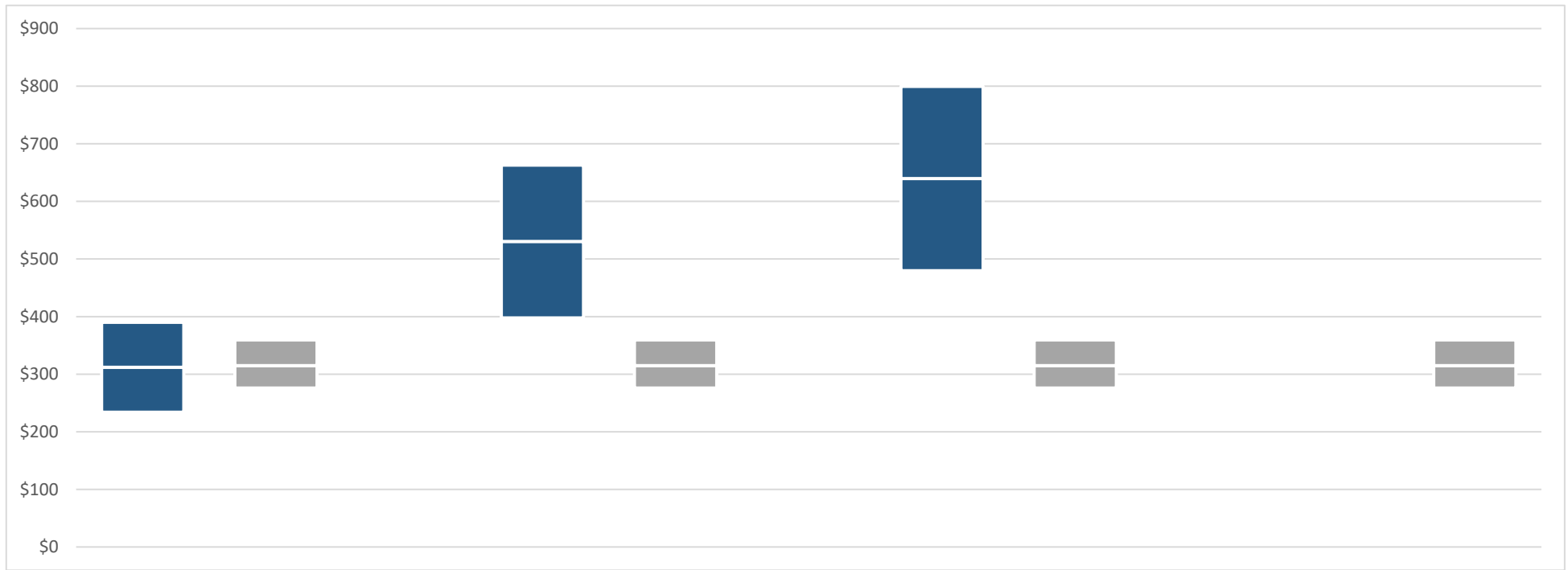


	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$597	\$1,258	\$622	\$1,572	\$622	\$1,886	\$622
Mid / Median	503	471	1,006	471	1,258	471	1,509	471
Min / 25th	377	377	755	387	943	387	1,132	387

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

California-based Agencies Peer Group CFO

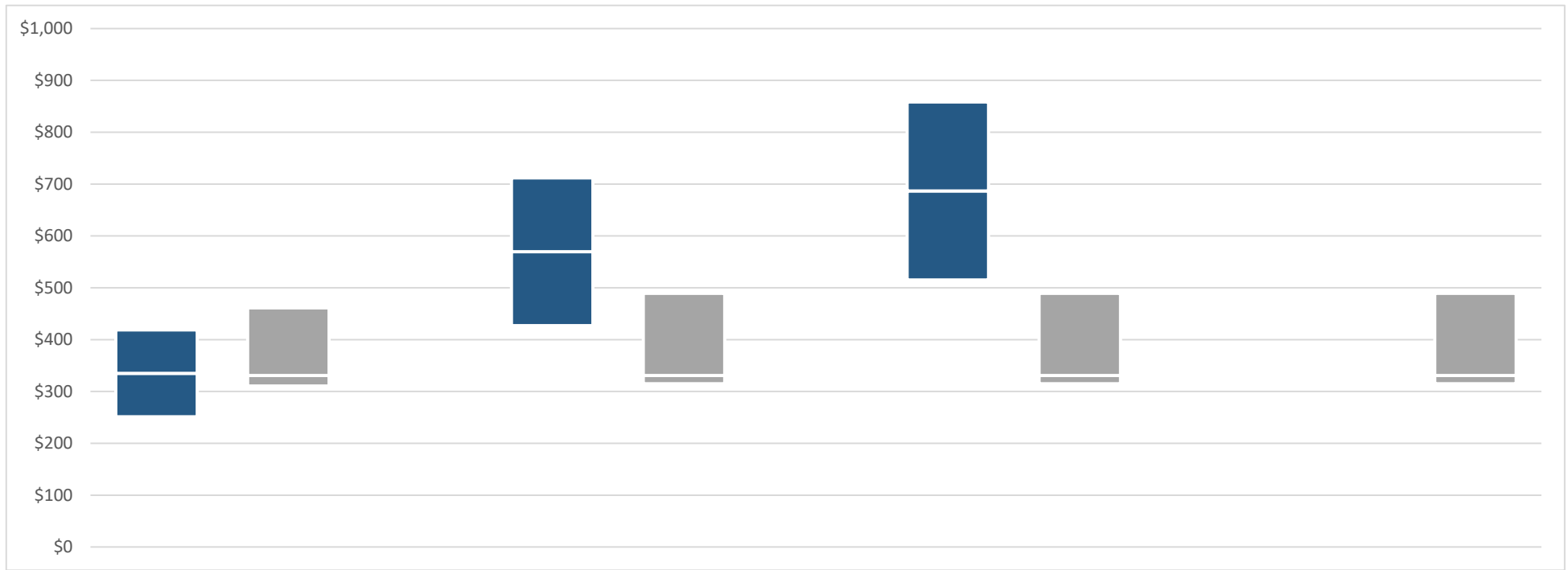
\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$390	\$360	\$663	\$360	\$800	\$360	\$360
Mid / Median	312	315	530	315	640	315	315
Min / 25th	234	276	398	276	480	276	276

California-based Agencies Peer Group General Counsel

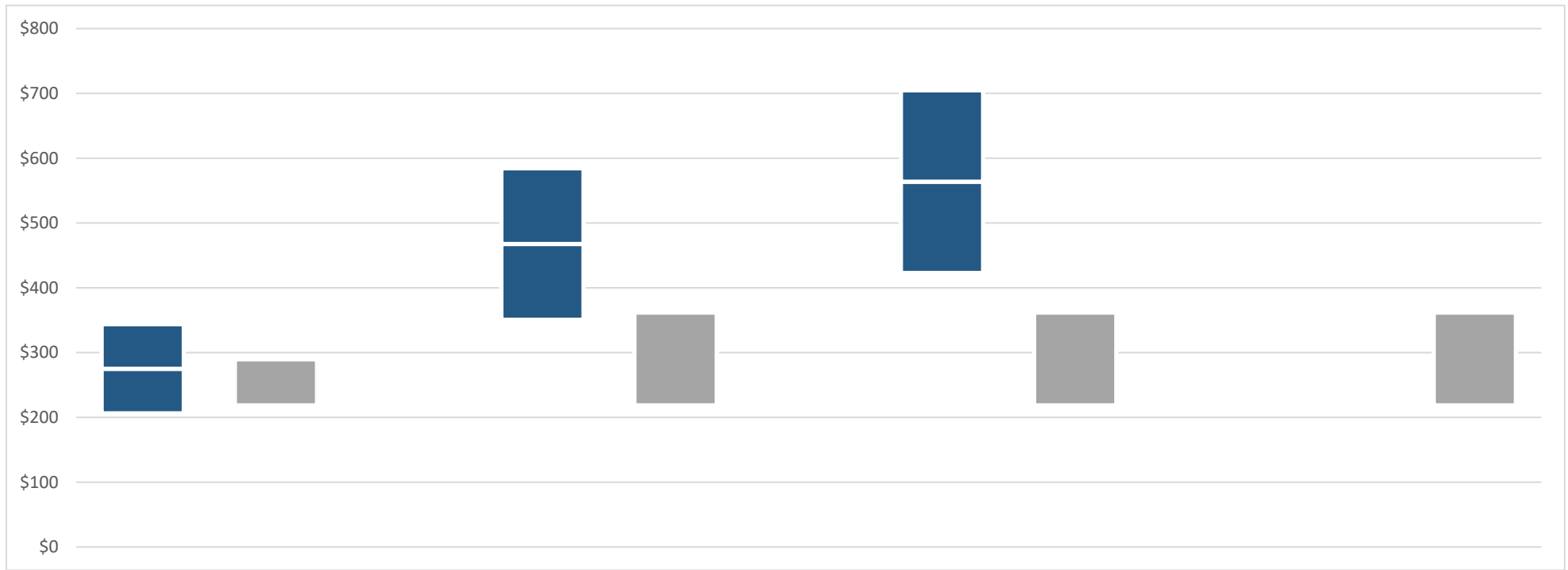
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	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$461	\$712	\$489	\$858	\$489	\$489
Mid / Median	335	331	570	331	687	331	331
Min / 25th	251	311	427	315	515	315	315

California-based Agencies Peer Group Chief Actuary Officer

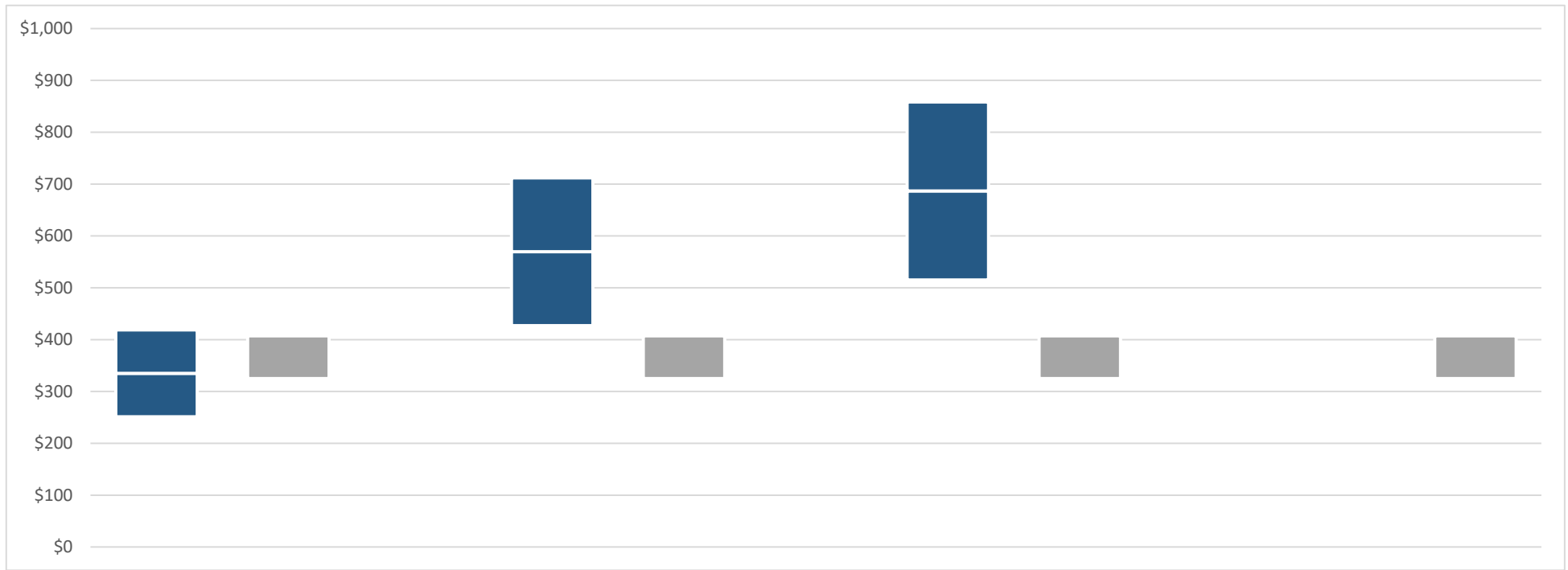
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	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$344	\$290	\$584	\$362	\$705	\$362	\$362
Mid / Median	275	219	468	219	564	219	219
Min / 25th	206	217	351	217	423	217	217

California-based Agencies Peer Group COO

\$000s



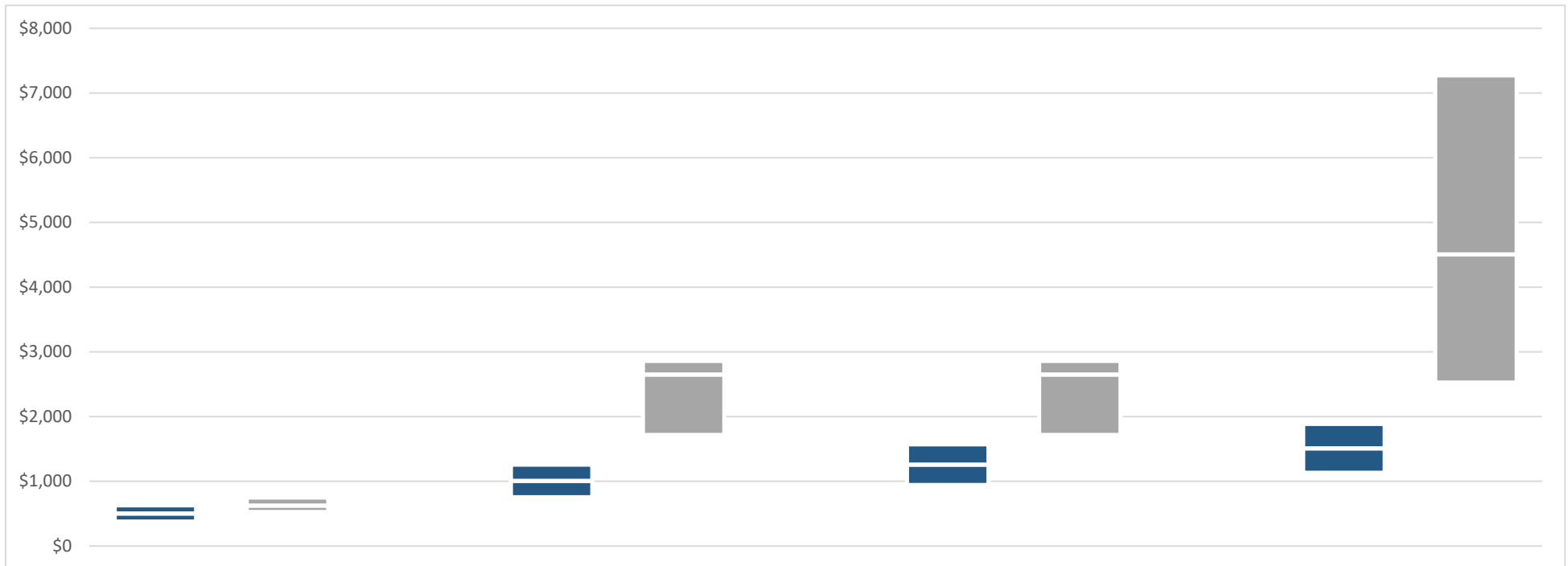
	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$407	\$712	\$407	\$858	\$407	\$407
Mid / Median	335	325	570	325	687	325	325
Min / 25th	251	319	427	319	515	319	319

Executive Positions

Private Sector Peer Group Data

Private Sector Peer Group CEO

\$'000s



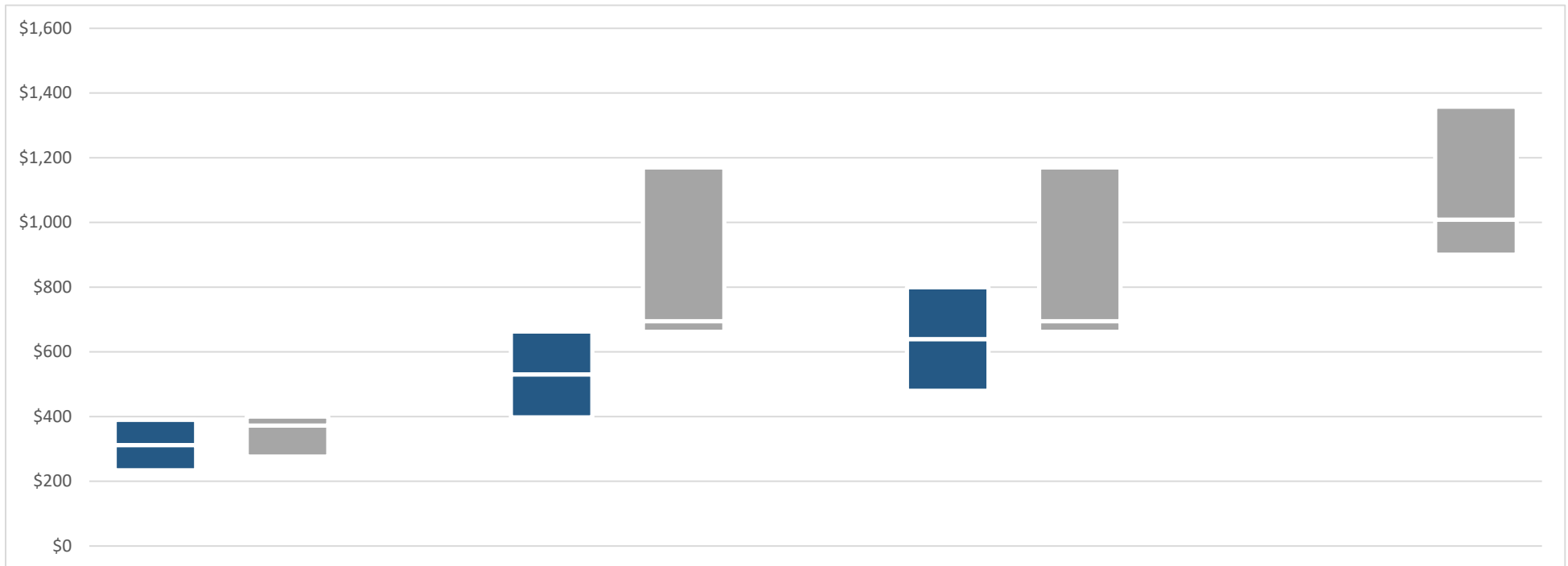
	Salary		Salary + Target		Salary + Max		Salary + Target TComp	
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TComp
Max / 75th	\$629	\$750	\$1,258	\$2,861	\$1,572	\$2,861	\$1,886	\$7,274
Mid / Median	503	625	1,006	2,650	1,258	2,650	1,509	4,506
Min / 25th	377	525	755	1,716	943	1,716	1,132	2,525

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



Private Sector Peer Group CFO

\$000s

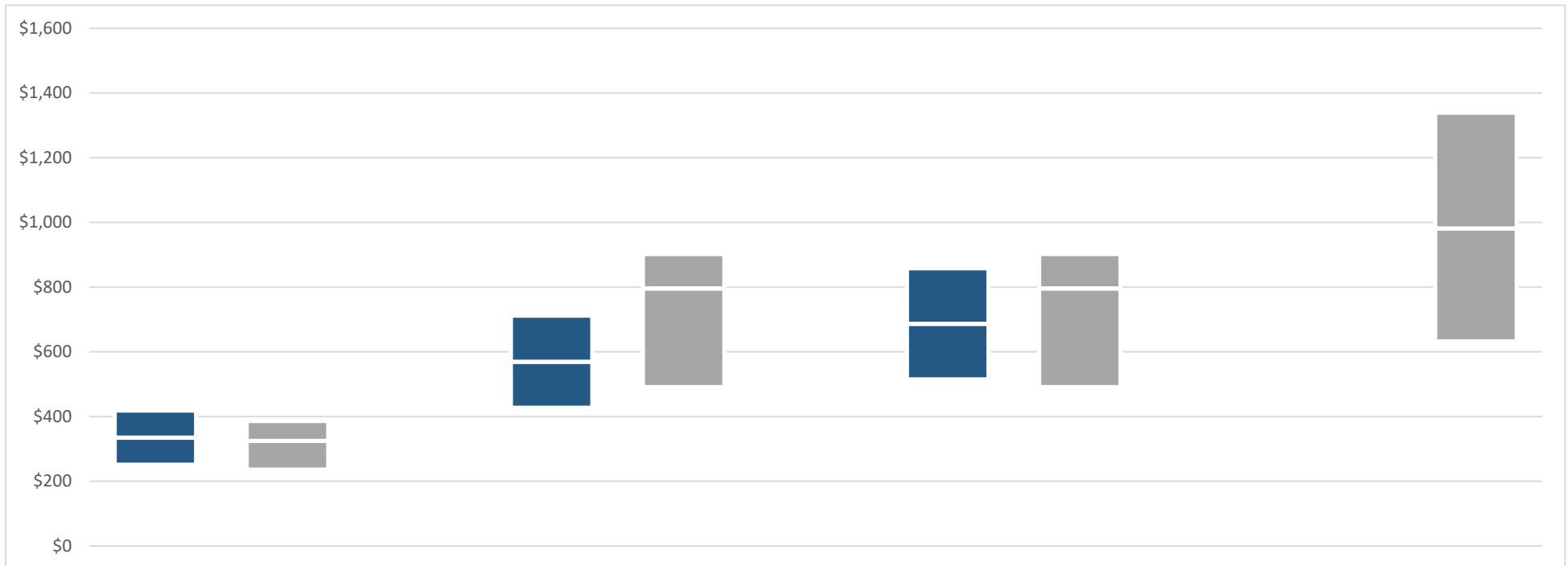


	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$390	\$400	\$663	\$1,170	\$800	\$1,170	\$1,358
Mid / Median	312	373	530	695	640	695	1,009
Min / 25th	234	277	398	662	480	662	900



Private Sector Peer Group General Counsel

\$000s

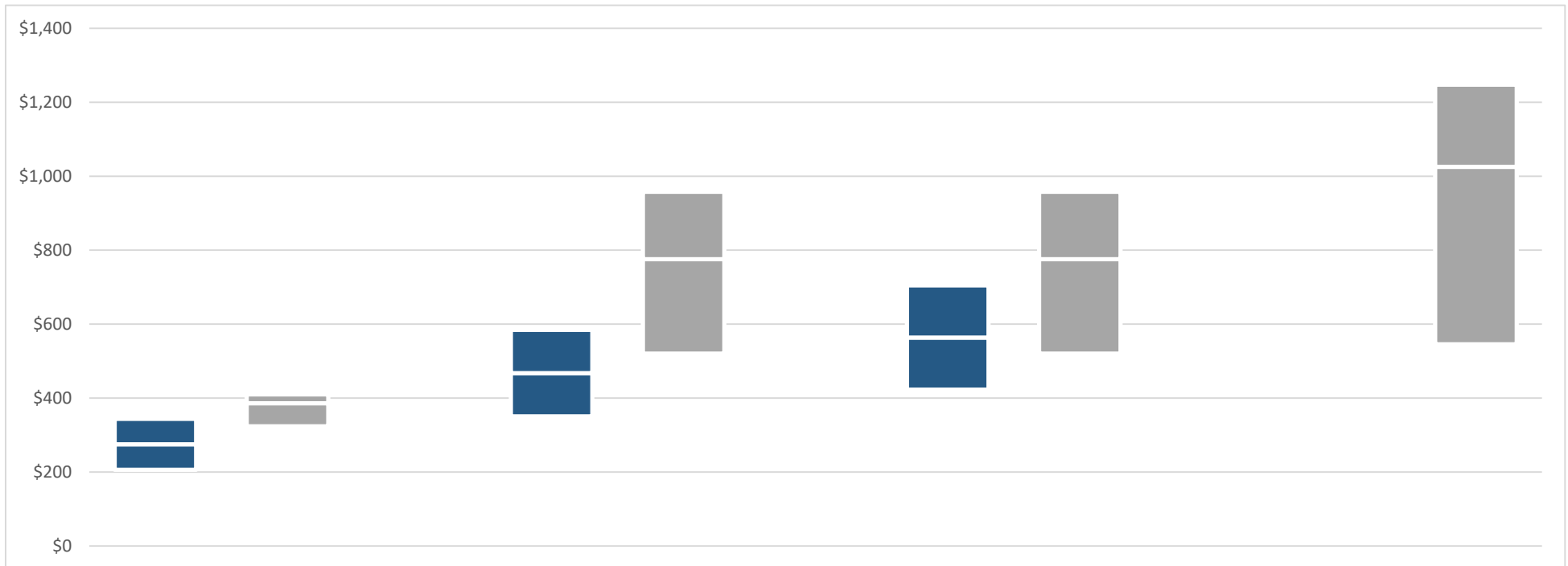


	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$386	\$712	\$903	\$858	\$903	\$1,339
Mid / Median	335	325	570	796	687	796	981
Min / 25th	251	236	427	491	515	491	632



Private Sector Peer Group Chief Actuary Officer

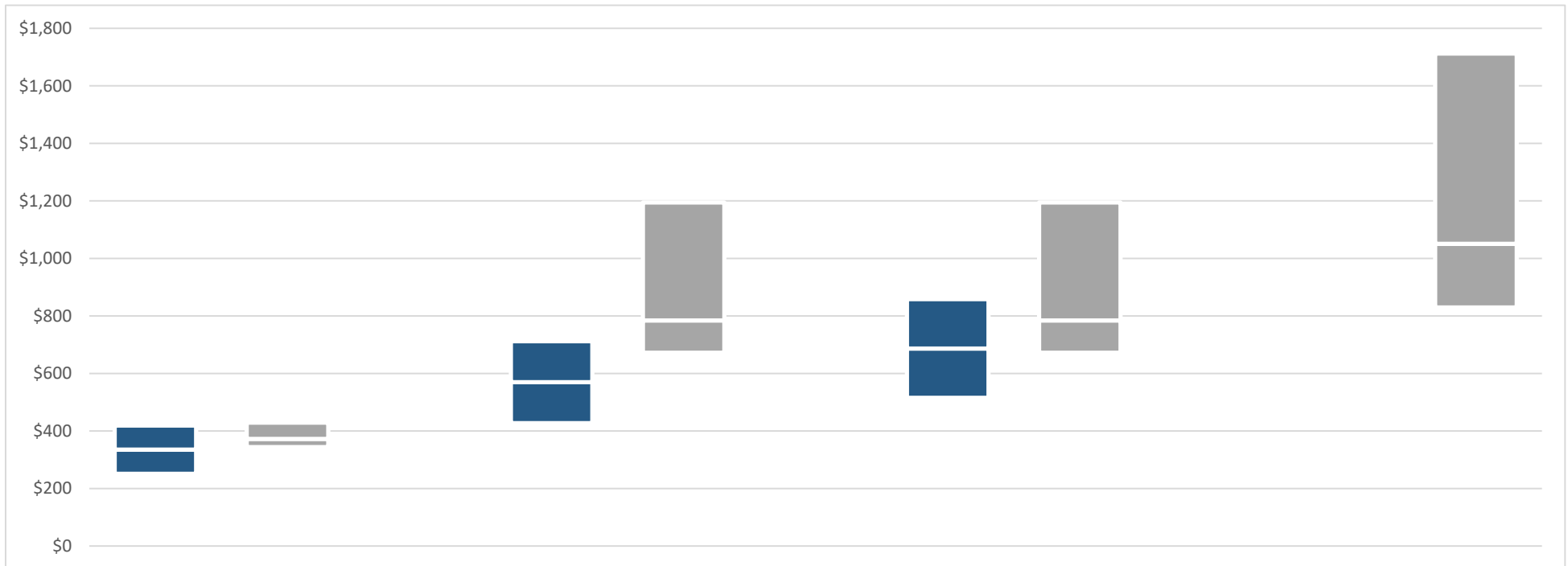
\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$344	\$410	\$584	\$958	\$705	\$958	\$1,248
Mid / Median	275	386	468	776	564	776	1,026
Min / 25th	206	324	351	520	423	520	546

Private Sector Peer Group COO

\$000s



	Salary		Salary + Target		Salary + Max		Market T. Comp
	CalPERS	Market	CalPERS	Mkt TCash	CalPERS	Mkt TCash	Mkt
Max / 75th	\$419	\$429	\$712	\$1,194	\$858	\$1,194	\$1,713
Mid / Median	335	372	570	784	687	784	1,051
Min / 25th	251	344	427	672	515	672	829



Appendix II

Investment Management Positions

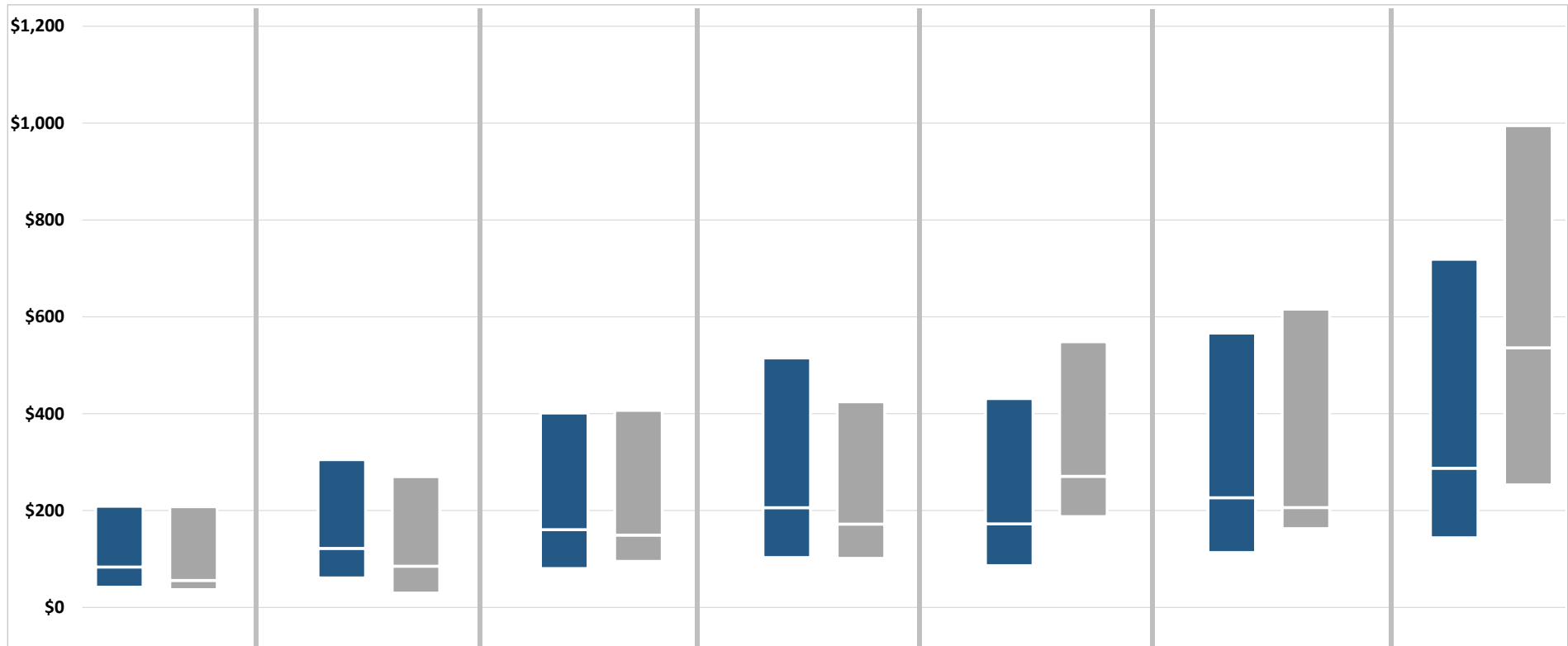
Investment Management Positions

Leading Institutional Investors Peer Group Data

Leading Institutional Investors Peer Group Data

Investment Management Positions Salary vs. Market Salary

\$000s



	Associate IM		Inv. Manager		Investment Director		Managing Inv. Dir.		COIO		Deputy CIO		CIO	
	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary	CalPERS	Mkt Salary
Max / 75th	\$209	\$208	\$305	\$270	\$401	\$407	\$515	\$425	\$431	\$549	\$567	\$616	\$719	\$995
Mid / Median	167	171	244	240	321	312	412	323	345	361	453	453	575	742
Min / 25th	125	152	183	185	241	257	309	253	259	278	340	410	431	459

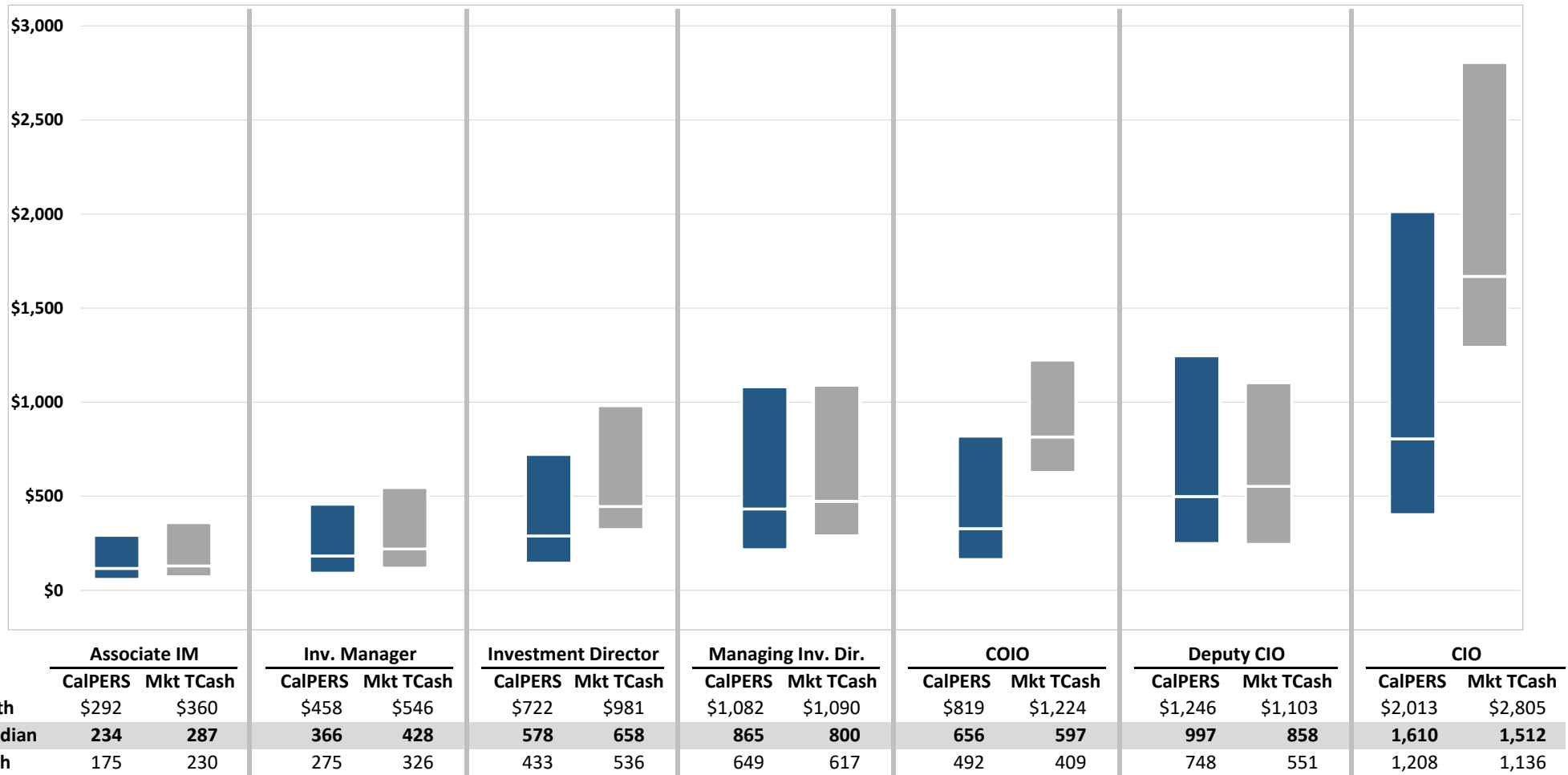


Leading Institutional Investors Peer Group Data

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

Market Total Cash = Salary + Cash Incentive (excludes long-term/deferred awards)

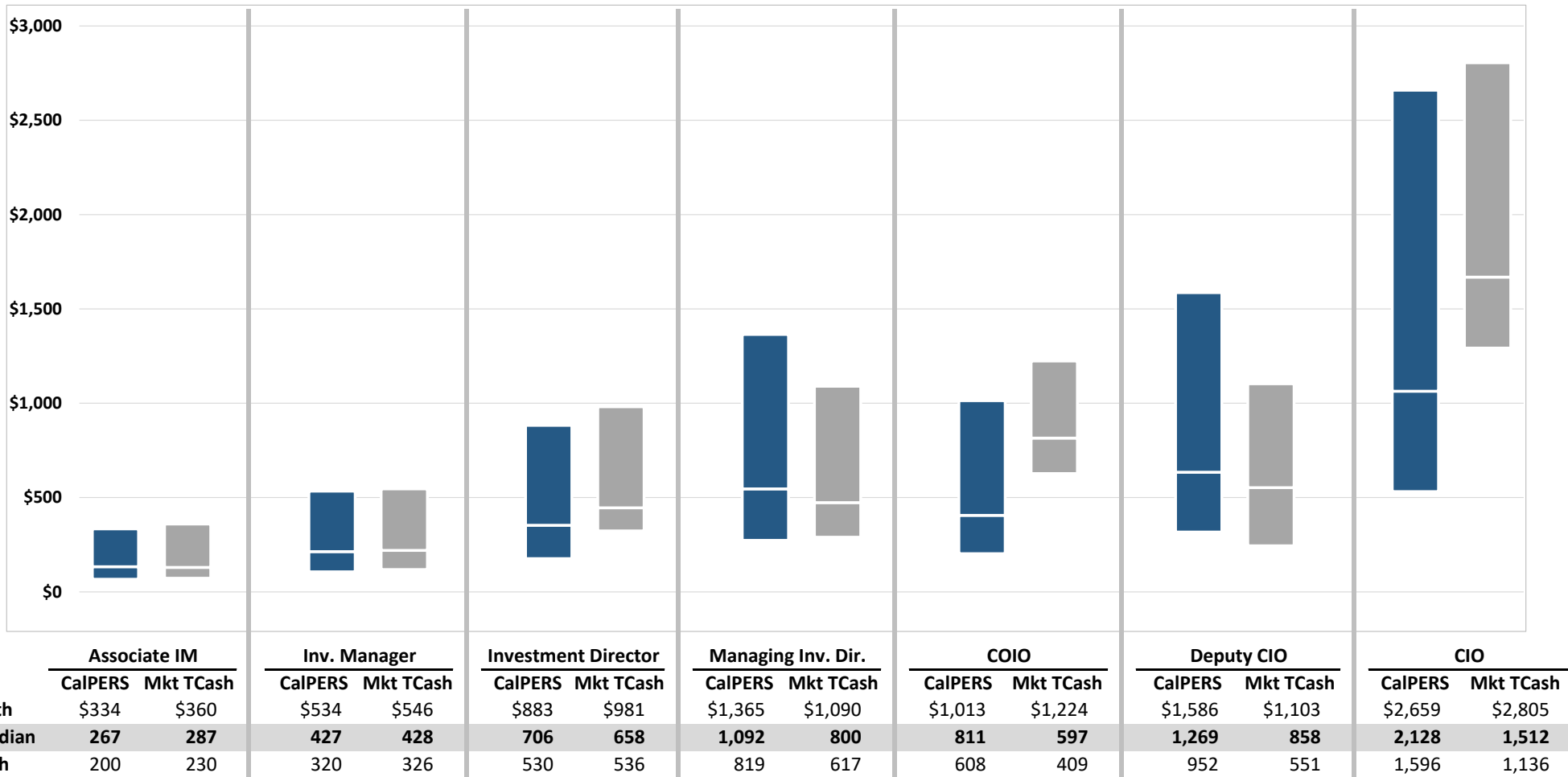
\$000s



Leading Institutional Investors Peer Group Data

Investment Management Positions Max T. Cash vs. Market T. Cash

\$000s



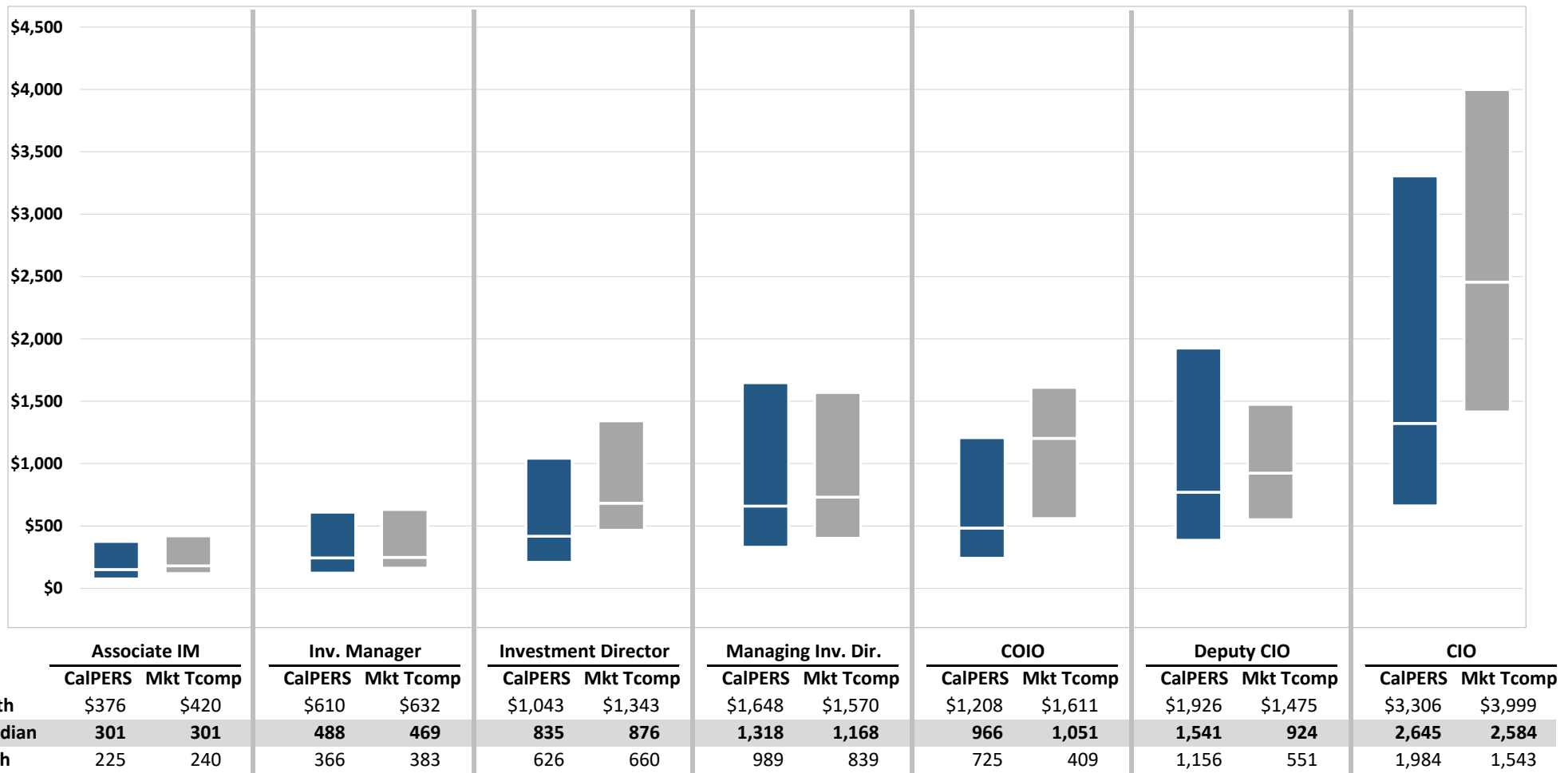
Leading Institutional Investors Peer Group Data

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

\$000s

Market Total Comp = Salary + Cash Incentive + Long-term/Deferred Awards

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



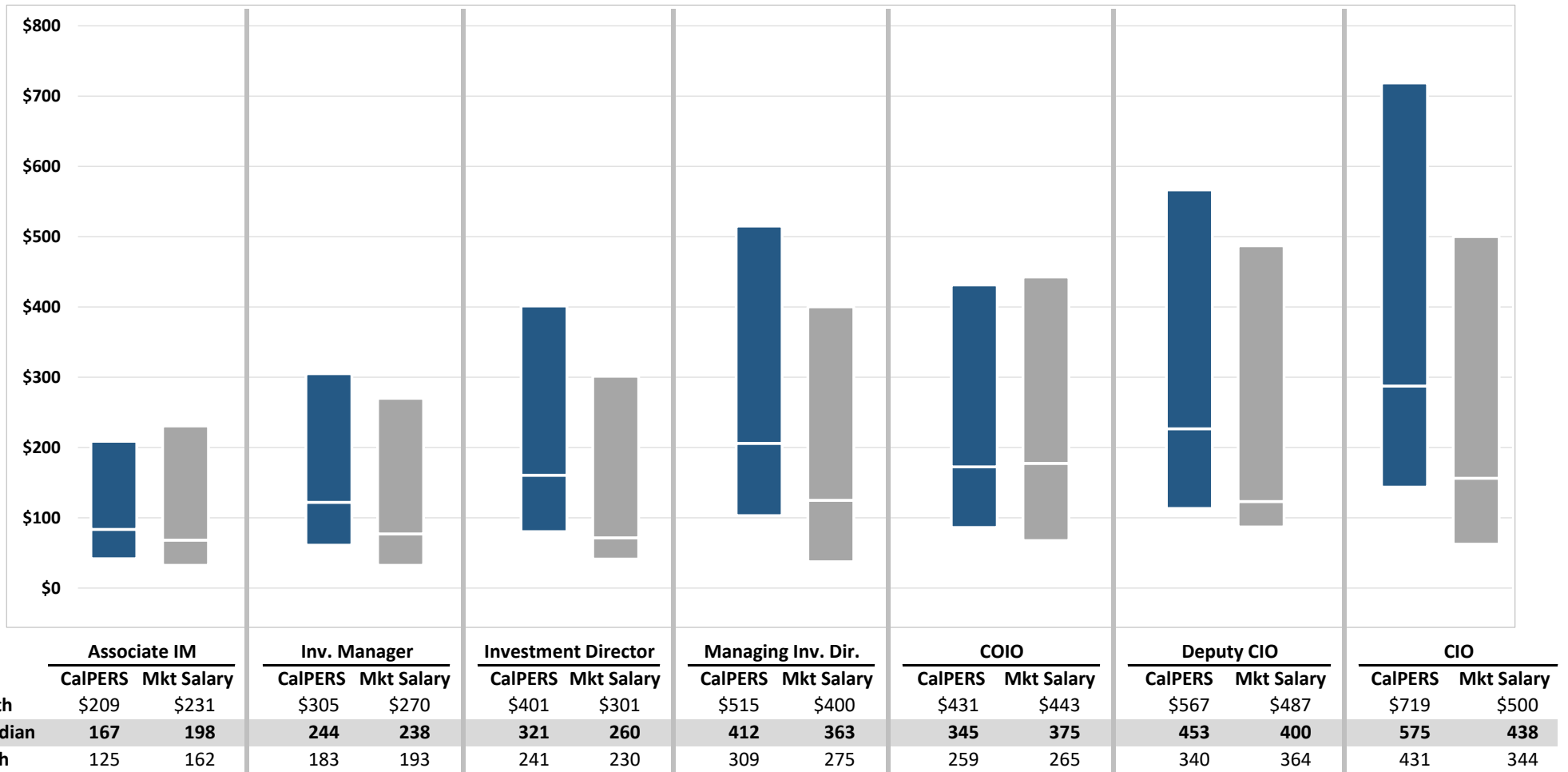
Investment Management Positions

Private Sector Peer Group Data

Private Sector Peer Group Data

Investment Management Positions Salary vs. Market Salary

\$000s

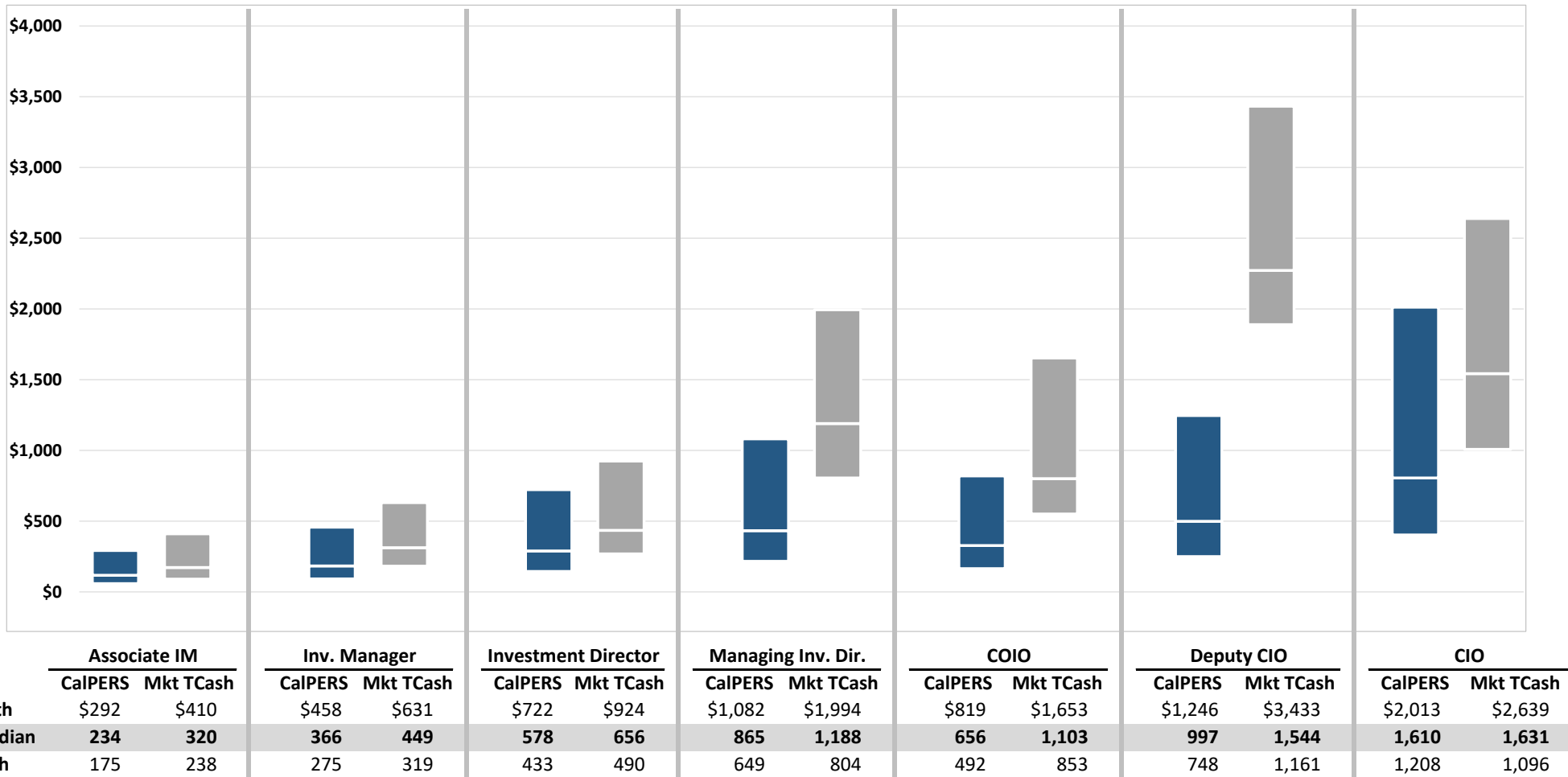


Private Sector Peer Group Data

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

Market Total Cash = Salary + Cash Incentive (excludes long-term/deferred awards)

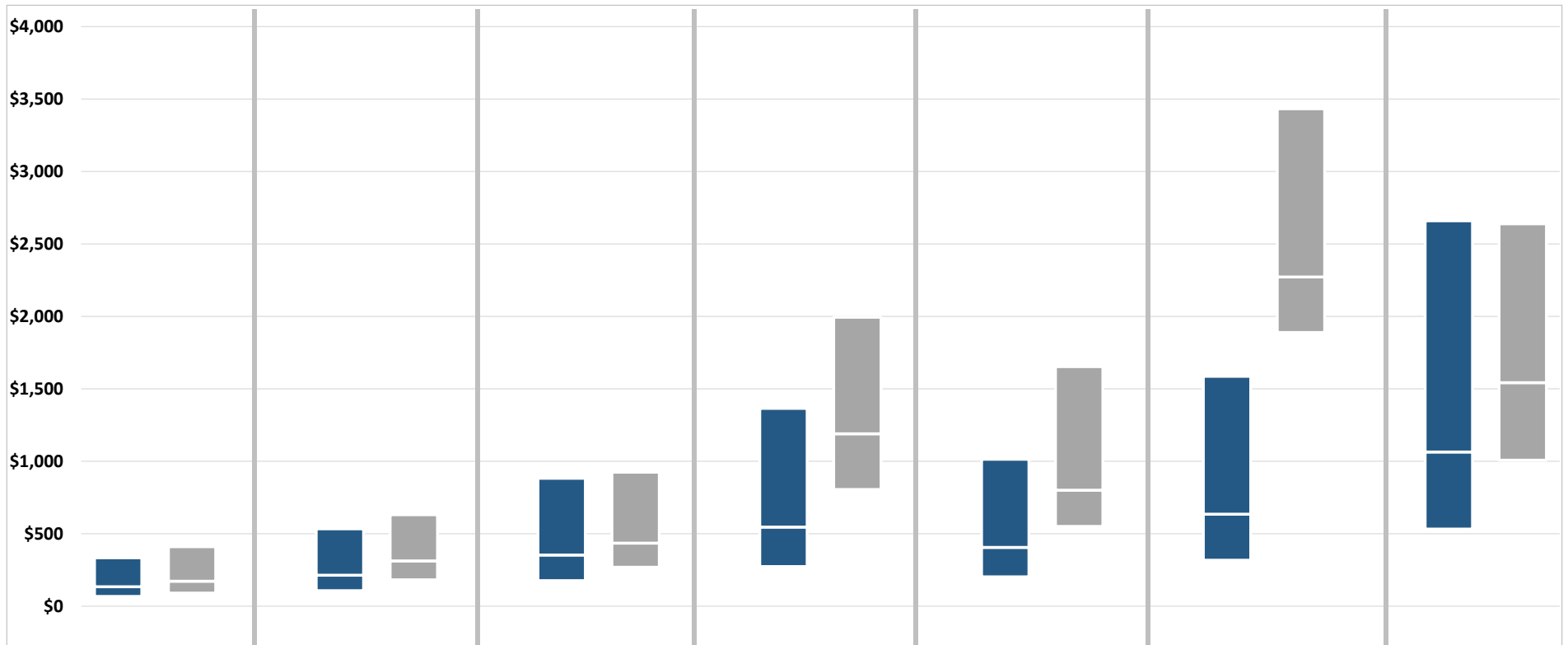
\$000s



Private Sector Peer Group Data

Investment Management Positions Max T. Cash vs. Market T. Cash

\$000s



	Associate IM		Inv. Manager		Investment Director		Managing Inv. Dir.		COIO		Deputy CIO		CIO	
	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash	CalPERS	Mkt TCash
Max / 75th	\$334	\$410	\$534	\$631	\$883	\$924	\$1,365	\$1,994	\$1,013	\$1,653	\$1,586	\$3,433	\$2,659	\$2,639
Mid / Median	267	320	427	449	706	656	1,092	1,188	811	1,103	1,269	1,544	2,128	1,631
Min / 25th	200	238	320	319	530	490	819	804	608	853	952	1,161	1,596	1,096

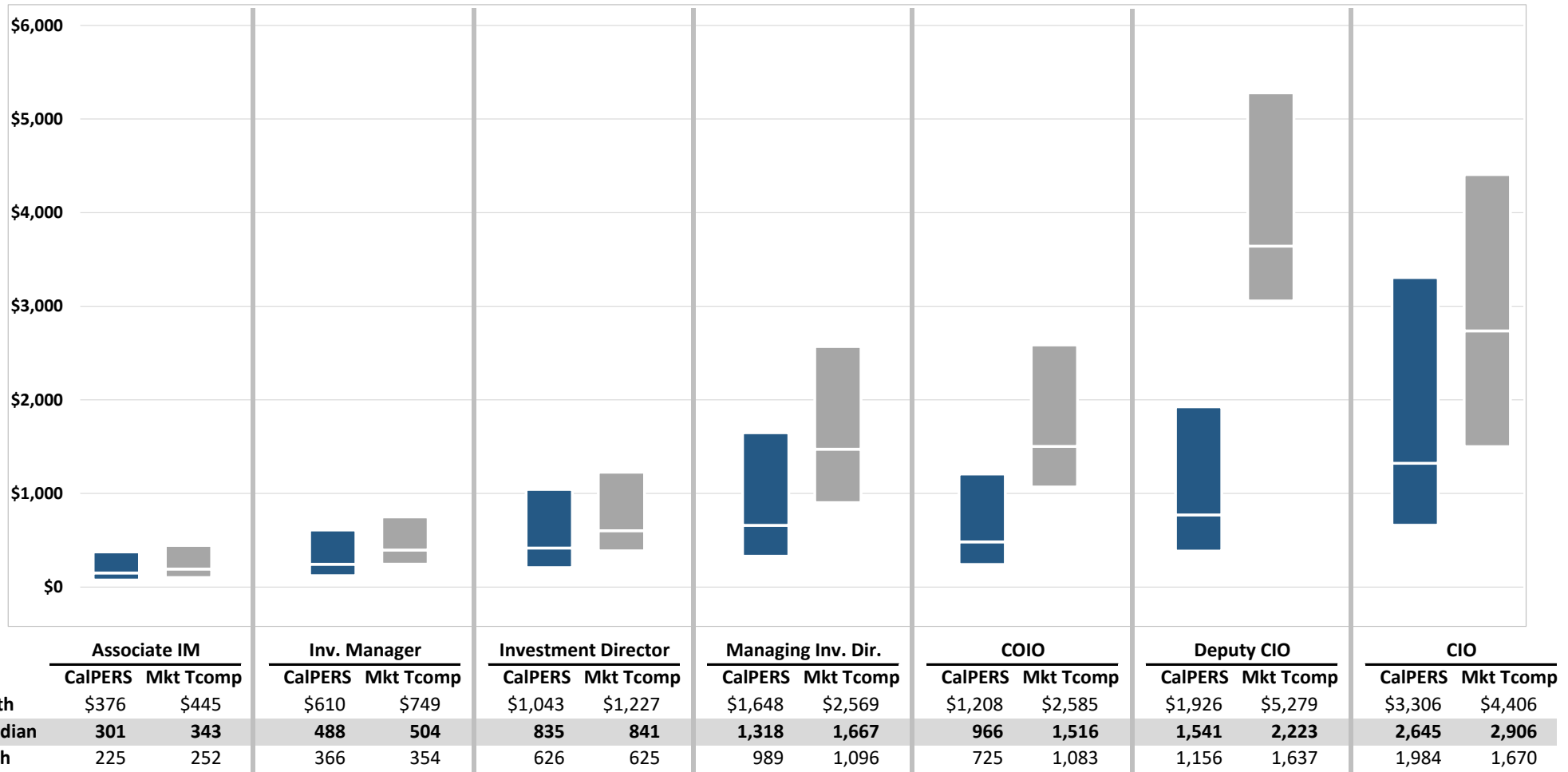
Private Sector Peer Group Data

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

\$000s

Market Total Comp = Salary + Cash Incentive + Long-term/Deferred Awards

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



Appendix III

Peer Groups

Executive Management Leading US and Canadian Public Funds

Executive Management - Leading US and Canadian Public Funds					
Fund Name		AUM	Current	Proposed	Notes
Canadian Pension Plan Investment Board	Canadian Pension Fund	\$510.6	✓	✓	
Caisse de depot et placement du Quebec	Canadian Pension Fund	345.4	✓	✓	
CA State Teachers' Retirement System	US Public Fund	327.0	✓	✓	
New York State & Local Retirement System	US Public Fund	260.4		✓	Add - meet criteria
Washington State Investment Board	US Public Fund	202.8			Does not meet peer group criteria
PSP Investments	Canadian Pension Fund	193.3		✓	Add - (new) to survey
Teacher Retirement System of Texas	US Public Fund	193.0	✓	✓	
Florida State Board of Administration	US Public Fund	190.4		✓	Add - meet criteria
Ontario Teachers Pension Board	Canadian Pension Fund	185.2	✓	✓	
British Columbia Investment Management Corp	Canadian Pension Fund	182.7	✓	✓	
State of Wisconsin Investment Board	US Public Fund	155.1	✓	✓	
New York State Teachers' Retirement System	US Public Fund	138.4		✓	Add - meet criteria
Minnesota State Board of Investment	US Public Fund	138.1			Does not meet peer group criteria
Alberta Investment Management Co	Canadian Pension Fund	117.2		✓	Add - (new) to survey
Ohio Public Employees Retirement System	US Public Fund	114.4		✓	Add - AUM now in range
Virginia Retirement System	US Public Fund	109.2	✓	✓	
Oregon Public Employees' Retirement Fund	US Public Fund	100.4			Does not meet peer group criteria
OMERS	Canadian Pension Fund	97.5	✓	✓	Leave in
Massachusetts PRIM	US Public Fund	91.9			Does not meet peer group criteria
State Teachers Retirement System of Ohio	US Public Fund	88.8	✓	X	Remove - does not meet peer group criteria
Healthcare of Ontario Pension Plan	Canadian Pension Fund	80.3	✓	✓	Leave in
Los Angeles County Employees Ret Assoc	US Public Fund	75.9			Too small
		75th Percentile	\$260.0	\$210.1	
		Median	182.7	184.0	
		25th Percentile	103.4	116.5	
Firm Count			11	16	

Executive Management CA-based Agencies

California-based Agency Comparators

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 Banks & Insurance Companies

Private Sector Pay Comparators - Banks & Insurance Companies			
	AUM (\$B)		
	25th	Median	75th
Banks (Inv Mgmt Div)	\$99.7	\$325.0	\$1,000.0
Insurance Companies (Inv Mgmt Div)	38.0	114.5	326.0
Total	\$19.8	\$77.1	\$337.4

Investment Management Leading Institutional Investors

Leading Institutional Investors					
AUM (\$B)			AUM (\$B)		
Canadian Pension Plan Investment Board	Canadian Pension Fund	\$510.6	OMERS	Canadian Pension Fund	97.5
Caisse de depot et placement du Quebec	Canadian Pension Fund	345.4	Healthcare of Ontario Pension Plan	Canadian Pension Fund	80.3
CA State Teachers' Retirement System	US Public Fund	327.0	Lockheed Martin Investment Management Co.	Corporate Plan Sponsor	75.0
New York State & Local Retirement System	US Public Fund	260.4	UTIMCO (University of Texas System)	US Endowment	70.1
PSP Investments	Canadian Pension Fund	193.3	Harvard Management Company	US Endowment	57.0
Teacher Retirement System of Texas	US Public Fund	193.0	Yale University Investments	US Endowment	41.2
Florida State Board of Administration	US Public Fund	190.4	MIT Investment Management Company	US Endowment	38.0
Ontario Teachers Pension Board	Canadian Pension Fund	185.2	Stanford Management Company	US Endowment	36.5
British Columbia Investment Management Corp	Canadian Pension Fund	182.7	Princeton University	US Endowment	33.5
State of Wisconsin Investment Board	US Public Fund	155.1	Duke University	US Endowment	27.7
New York State Teachers' Retirement System	US Public Fund	138.4	University of Michigan	US Endowment	18.7
Alberta Investment Management Co	Canadian Pension Fund	117.2	University of Virginia Investment Mgmt	US Endowment	13.7
Ohio Public Employees Retirement System	US Public Fund	114.4	Northwestern University	US Endowment	13.7
Virginia Retirement System	US Public Fund	109.2	Columbia University	US Endowment	13.6
APG	US-based Dutch Public Fund	107.7	Washington University in St. Louis	US Endowment	12.6

All Firms AUM	
75th Percentile	\$184.6
Median	102.6
25th Percentile	36.9

Investment Management Private Sector Pay Comparators

Private Sector Pay Comparators - AUM \$165B-\$630B			
	AUM (\$B)		
	25th	Median	75th
Investment Management Firms	\$208.1	\$282.1	\$446.0
Banks (Inv Mgmt Div)	289.4	339.5	397.4
Insurance Companies (Inv Mgmt Div)	216.9	323.5	352.7
Total	\$211.0	\$308.8	\$409.7

Note: Private sector peers AUM is 33% to 125% of CalPERS' AUM.