MEKETA

California State Teachers' Retirement System

2Q 2026 CalSTRS Semi-Annual Performance Report Summary[1]

The CalSTRS Total Portfolio was valued at $415.4 billion as of June 30, 2026. Over the latest fiscal year, the Total Portfolio increased by $47.7 billion (net of fees and contributions/benefits). During the latest six-month period, the Total Portfolio increased by $23.2 billion (net of fees and contributions/benefits). In fiscal year 2026, the Total Portfolio generated a return of 13.9%, outperforming the Policy Benchmark return by 0.4%, in line with the State Street median fund return (ranking in the 48th percentile of the State Street Public Master Trusts greater than $10 billion universe), while trailing the Reference Portfolio Benchmark by 4.0%. The Total Portfolio outperformed the Policy Benchmark but trailed the State Street Median over the longer-term periods measured (three-, five-, and ten-years). Compared to the Reference Portfolio, the Total Portfolio underperformed over the near-term time periods (one-, three-, and five-years) but outpaced over the ten-year period. The Total Portfolio ended June 2026 overweight Public Equity and Collaborative Strategies and underweight Fixed Income, Real Estate, Risk Mitigating Strategies, and Cash. The Private Equity, Inflation Sensitive, and Strategic Overlay asset classes ended the period in line with their respective policy targets.

Key: ⬇ Red indicates relative underperformance ⬆ Green indicates relative outperformance (or matched performance)

	Trailing Period Performance (Net of Manager Fees)				Actual vs. Target Allocations[2]			
Composite	10 Year	5 Year	3 Year	1 Year	Actual ($M)	Actual (%)	Target (%)	Variance
Total Portfolio	⬆ 9.4	⬆ 7.0	⬆ 10.2	⬆ 13.9	415,421	100	100	--
Policy Benchmark[3]	*8.8*	*6.6*	*9.7*	*13.5*				
St. Street Median (>$10B)[4]	*9.5*	*7.8*	*11.6*	*13.9*				
Reference Portfolio[5]	*9.3*	*7.5*	*14.8*	*17.9*				
Total Public Equity[6]	⬆ 13.0	⬆ 11.0	⬆ 20.1	⬆ 25.1	180,322	43	39	4
Policy Benchmark	*12.8*	*10.5*	*19.5*	*24.0*				
Fixed Income	⬆ 2.2	⬆ 0.6	⬆ 4.7	⬆ 4.4	51,114	12	13	-1
Policy Benchmark	*1.8*	*0.3*	*4.4*	*3.9*				
Private Markets	⬆ 8.9	⬆ 5.7	⬇ 2.3	⬇ 4.1	105,763	25	29	-4
Policy Benchmark	*7.6*	*5.7*	*2.4*	*5.5*				
Real Estate	⬆ 4.9	⬇ 1.8	⬇ -4.3	⬇ 0.2	49,360	12	15	-3
Policy Benchmark	*3.8*	*2.3*	*-2.8*	*3.1*				
Private Equity	⬆ 13.4	⬆ 9.5	⬆ 8.6	⬆ 7.5	56,402	14	14	--
Policy Benchmark	*11.8*	*8.8*	*7.4*	*7.5*				
Inflation Sensitive	⬆ 8.8	⬆ 9.2	⬆ 9.3	⬆ 13.3	29,193	7	7	--
Policy Benchmark	*5.7*	*6.5*	*6.4*	*8.6*				
Risk Mitigating Strategies[7]	⬇ 2.9	⬇ 3.0	⬇ 3.6	⬆ 16.8	35,417	9	10	-1
Policy Benchmark	*3.2*	*3.2*	*3.7*	*14.9*				
Collaborative Strategies[8]	⬆ 8.4	⬆ 9.5	⬆ 8.4	⬇ 2.8	8,097	2	0	2
Policy Benchmark	*5.1*	*4.9*	*6.9*	*4.8*				
Cash	⬆ 2.4	⬇ 3.4	⬇ 4.2	⬇ 3.8	5,066	1	2	-1
Policy Benchmark	*2.4*	*3.6*	*4.7*	*3.9*				
Strategic Overlay	0.2	-0.4	-0.6	-3.9	449	0	0	--

[1] Source: State Street; Callan; Investment Metrics.
[2] Differences due to rounding.
[3] The Total Portfolio benchmark consists of passively managed strategic class portfolios (or other indices) held at policy weightings.
[4] State Street Universe – Public Funds greater than $10 billion. Mixture of net and gross-of-fees.
[5] 70% MSCI ACWI IMI / 30% Bloomberg Aggregate.
[6] Total Public Equity (includes corporate governance and sustainability public equity assets).
[7] Absolute Return class prior to 7/1/16.
[8] Innovative Strategies class prior to 5/1/2024.