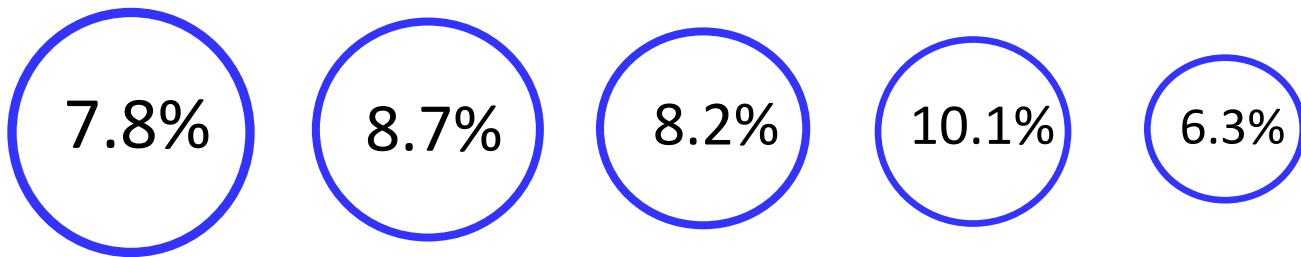


Investment Performance at a Glance

As of June 30, 2023

PACE

THE GOAL: average 7.0% over the next 30 years



30 Year

10 Year

5 Year

3 Year

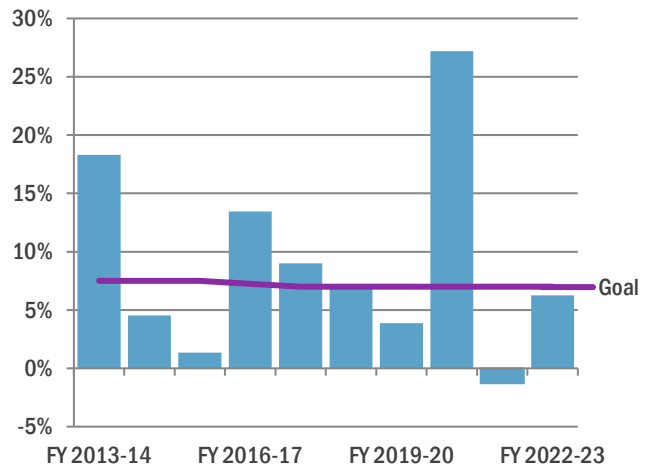
1 Year

All returns are NET of manager fees

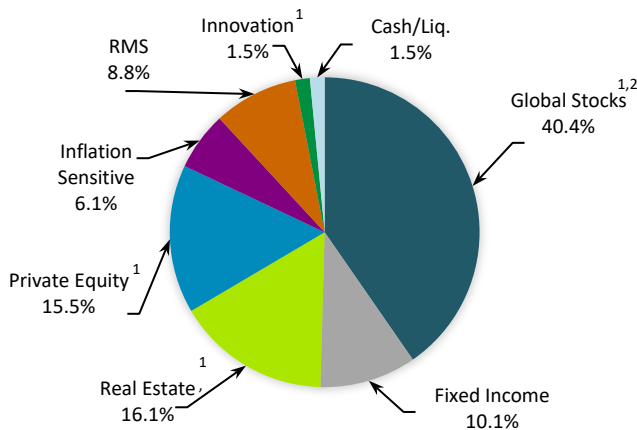
Summary of market returns for FY 2022-23

When the U.S. Federal Reserve raises interest rates over 5%, investors expect equities to have a hard time, but to the contrary, in FY 22-23, stocks, both U.S. and Non-U.S., produced double digit positive returns. It was a year that defied the investment textbooks. The continued aggressive hiking of interest rates once again dropped Fixed Income returns to near zero and finally impacted Real Estate returns, resulting in small negative annual results. In fact, the only major asset class to produce positive results was global equity, highlighting their unusual results in this economic environment. The CalSTRS portfolio weathered the year with a small single digit return. The Three year and longer performance all exceeded the required Actuary Return and have helped improve the Plan's funding status.

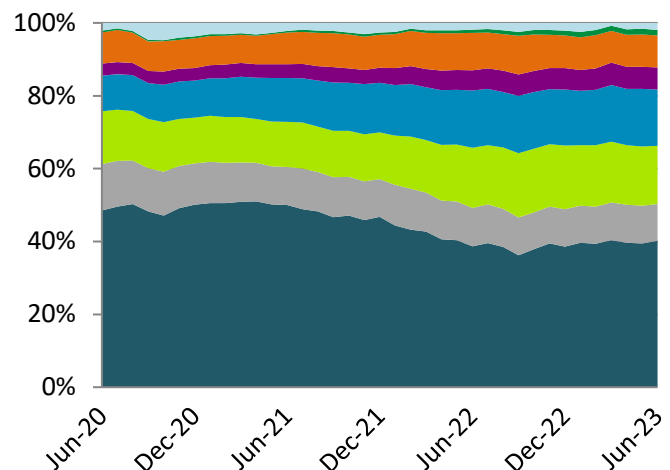
Total Fund 1-year returns (past 10 years)



Asset Allocation as of June 30, 2023



Asset mix over the past 3 years

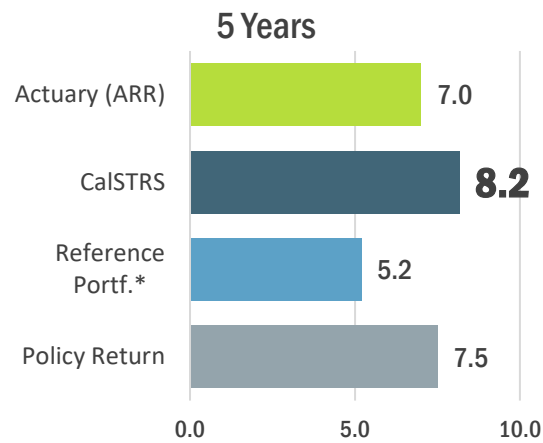
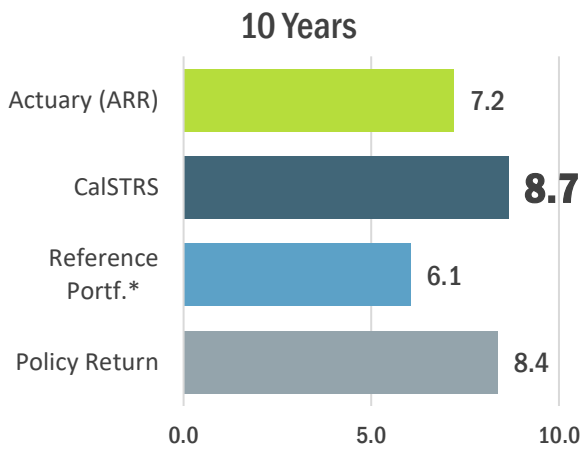


¹ Includes Sustainable Investment & Stewardship Strategies Public and Private investments total of \$9,961 (in Millions).

² Derivatives are not included which provide additional exposure to Public Equity bringing the Asset Allocation range within policy limits.

Investment Performance at a Glance

As of June 30, 2023



The Actuary (ARR) is the Actuary assumed rate of return for funding the System.

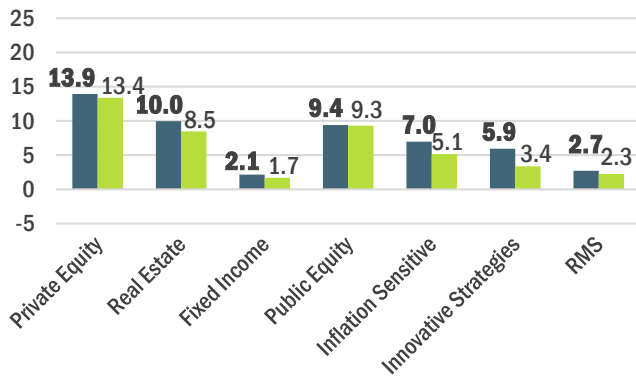
* Reference Portfolio is the Morningstar Moderate Target Risk Index

Asset Class/Strategy Performance (% returns are NET of manager fees)

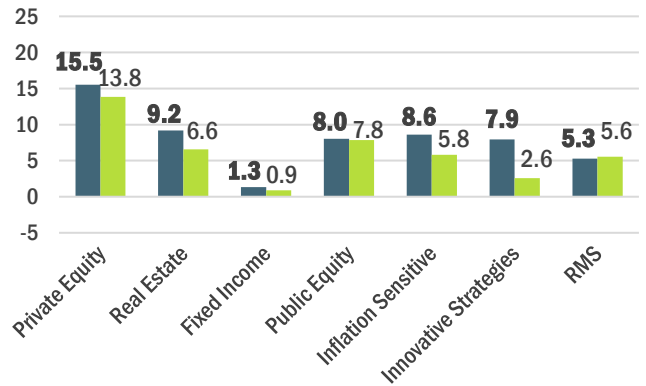
As a long-term investor, the focus should be on the 5-year and 10-year time periods.

Legend: ■ CalSTRS portfolio ■ Benchmark

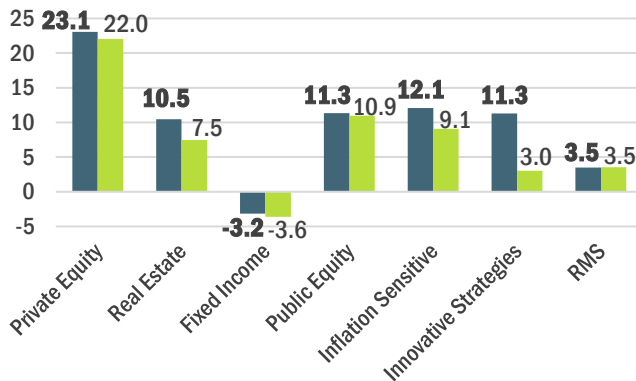
10 Year



5 Year



3 Year



1 Year

