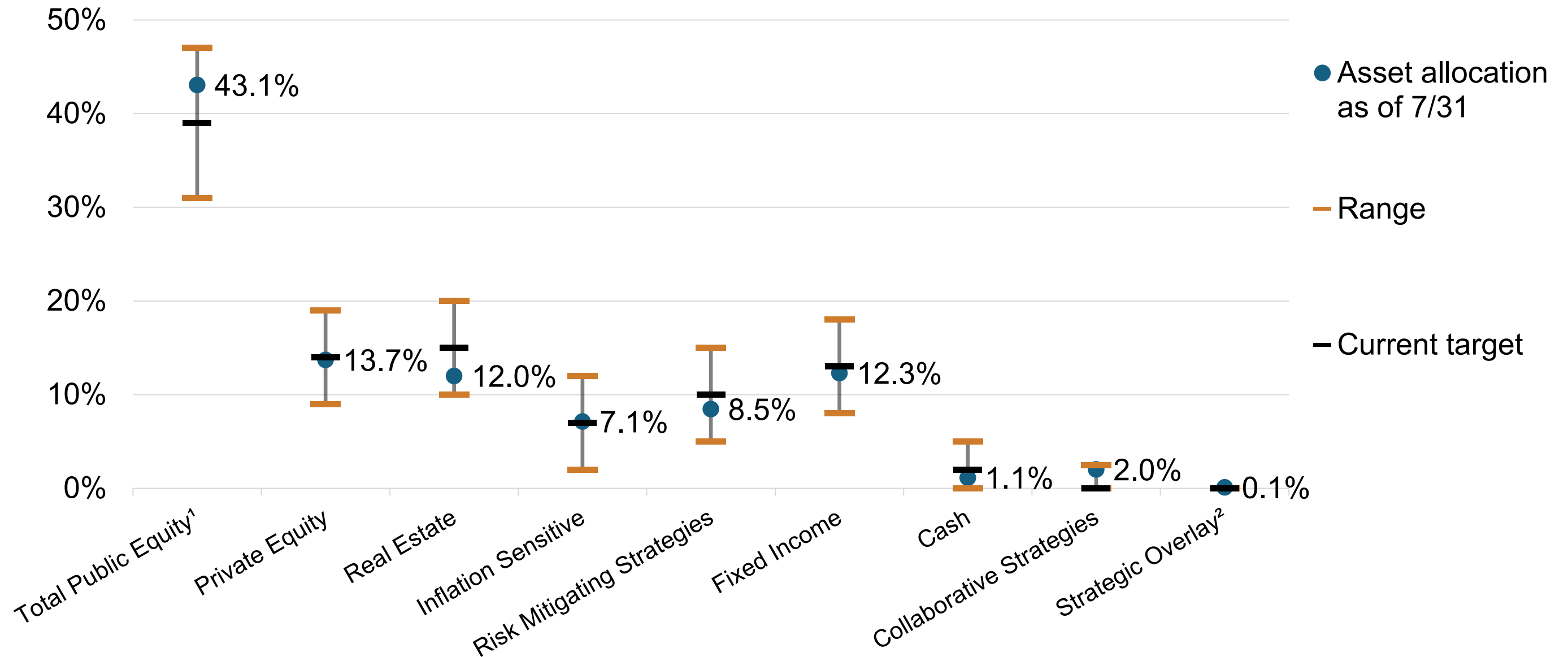


Chief investment officer report

September 2026

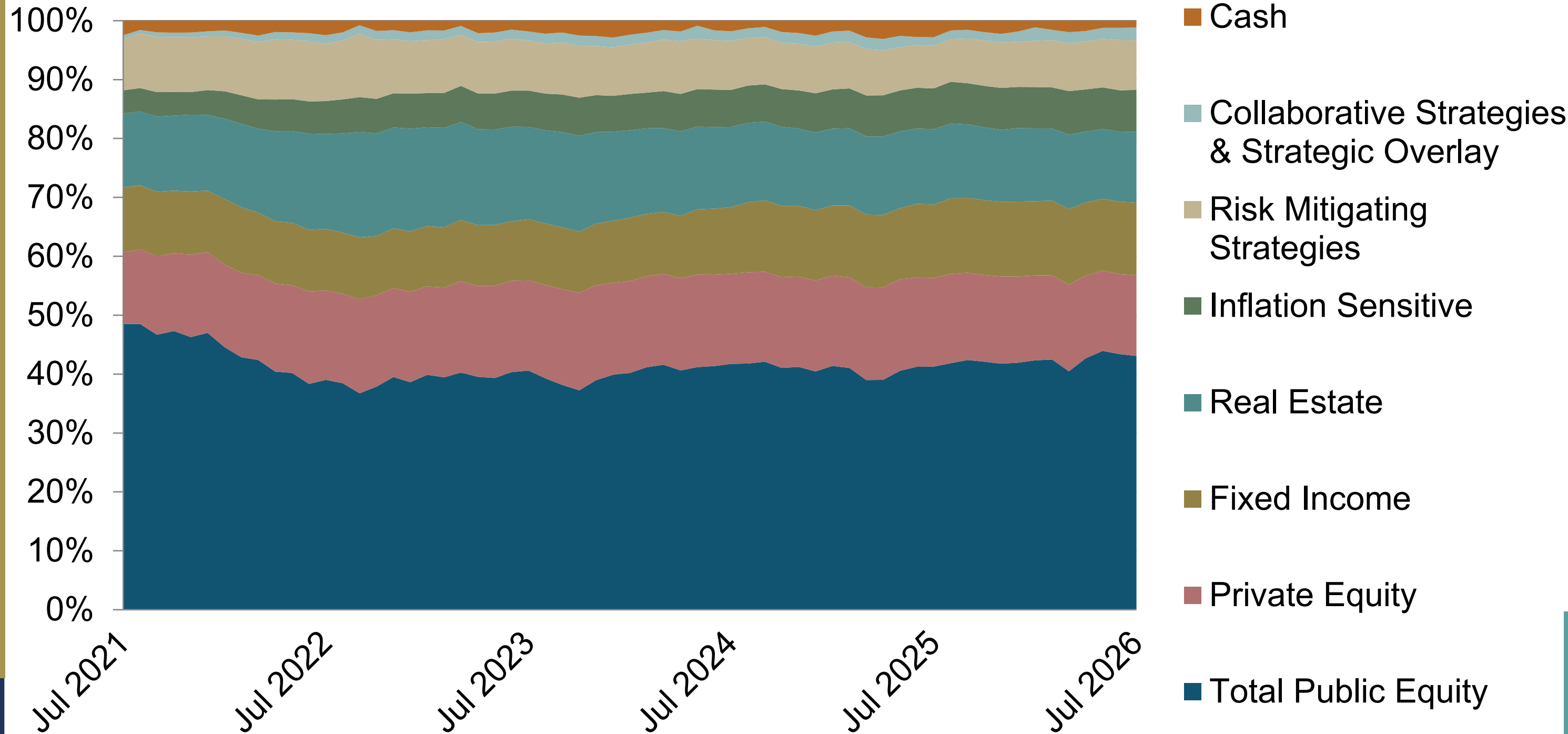
Asset mix



¹ Total Public Equity includes the following sub-units: Global Equity Public, Total SISS Public Equity & Innovation Global Equity

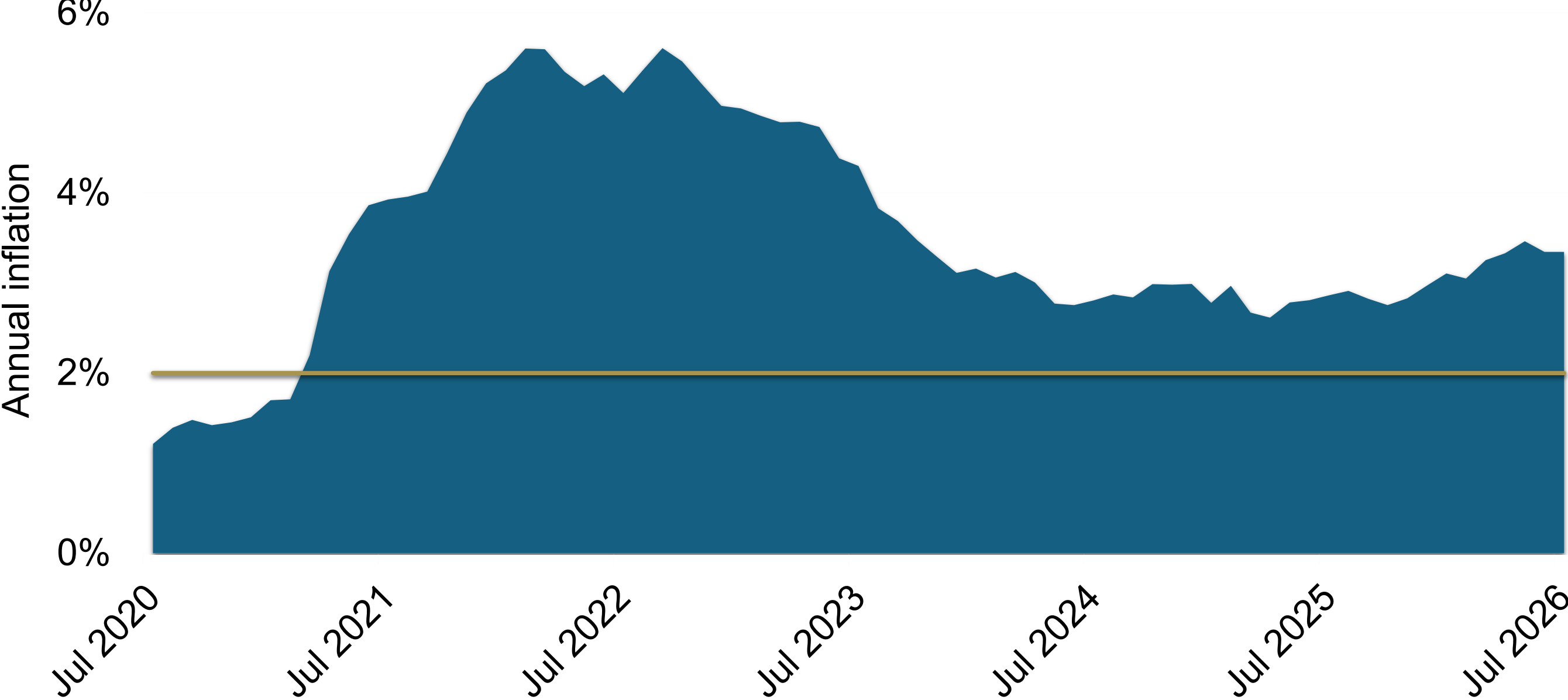
² Strategic Overlay includes Currency Absolute Return and Derivatives Overlay

Historical asset allocation



Persistent inflation

U.S. annual inflation in percentage

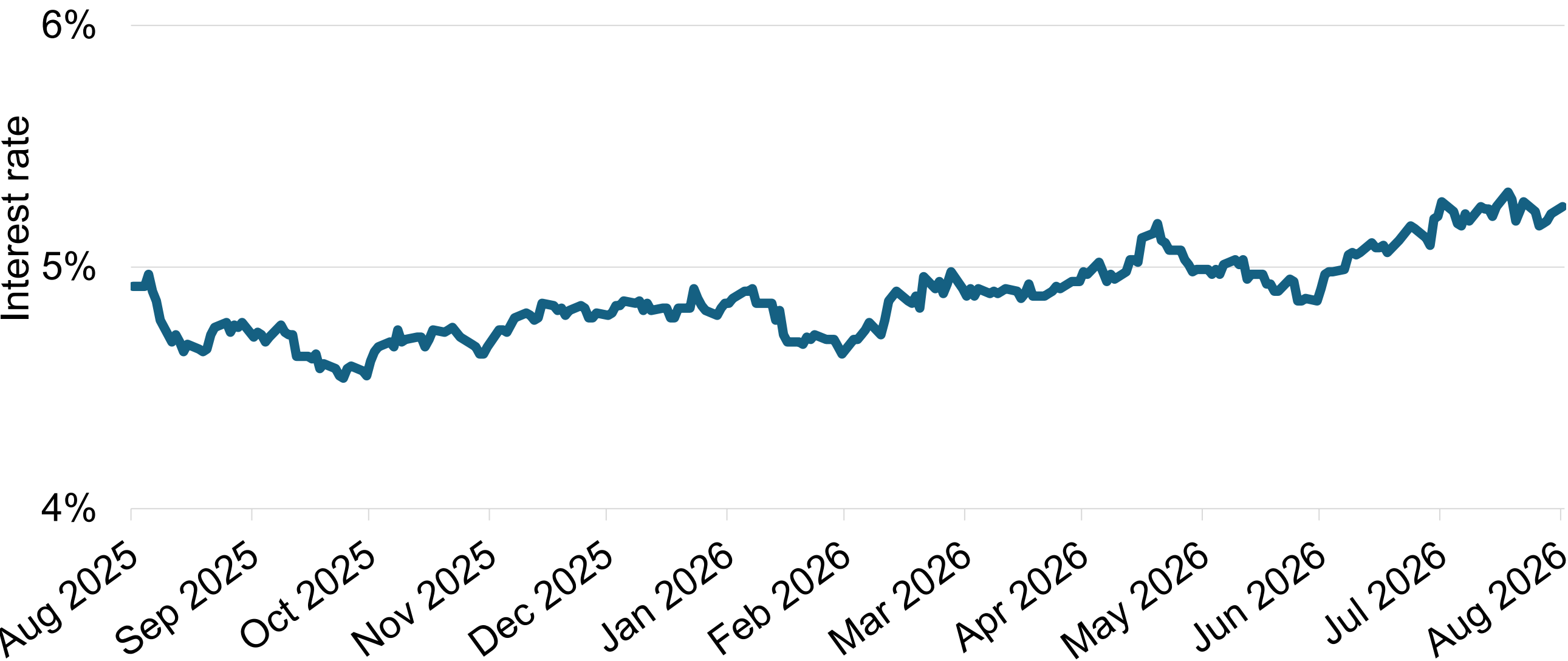


Personal Consumption Expenditures Excluding Food and Energy, also known as Core PCE. Percent change from year ago, monthly, seasonally adjusted.

Source: U.S. Bureau of Economic Analysis

High interest rates

30 year U.S. Treasury



Total Fund long term performance – June 2026

1 Year



13.86%

0.41%

Alpha

3 Year



10.23%

0.50%

Alpha

5 Year



7.01%

0.46%

Alpha

10 Year



9.36%

0.59%

Alpha

30 Year



7.82%

0.23%

Alpha

A strong year – with the fund surpassing \$400B

Fund value and net investment performance as of June 30, 2026

Fund value

\$415.4B

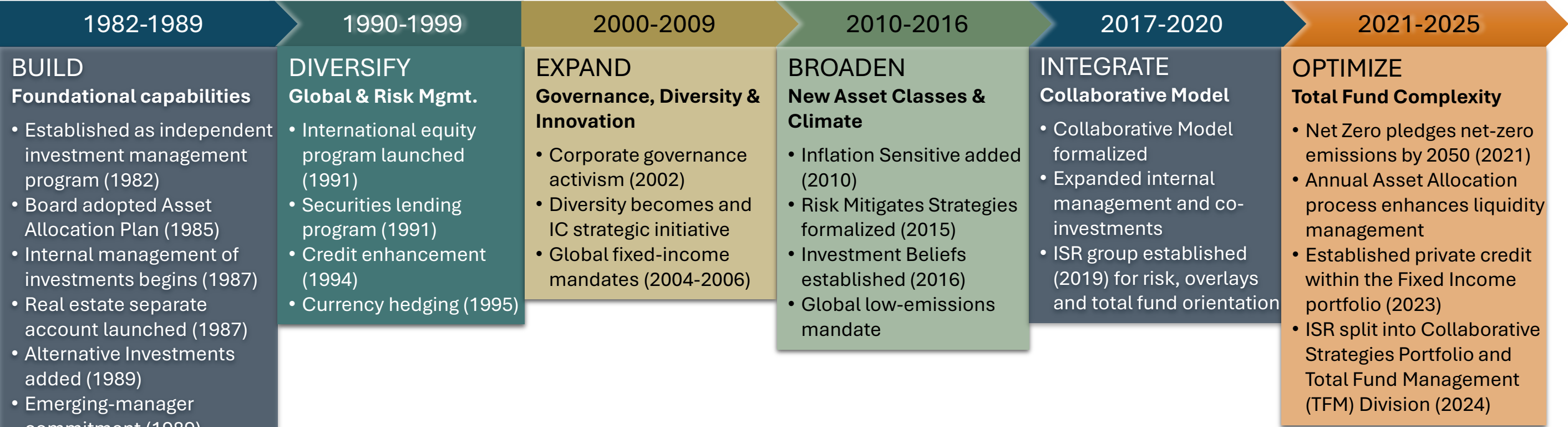
\$400B milestone surpassed

Net return

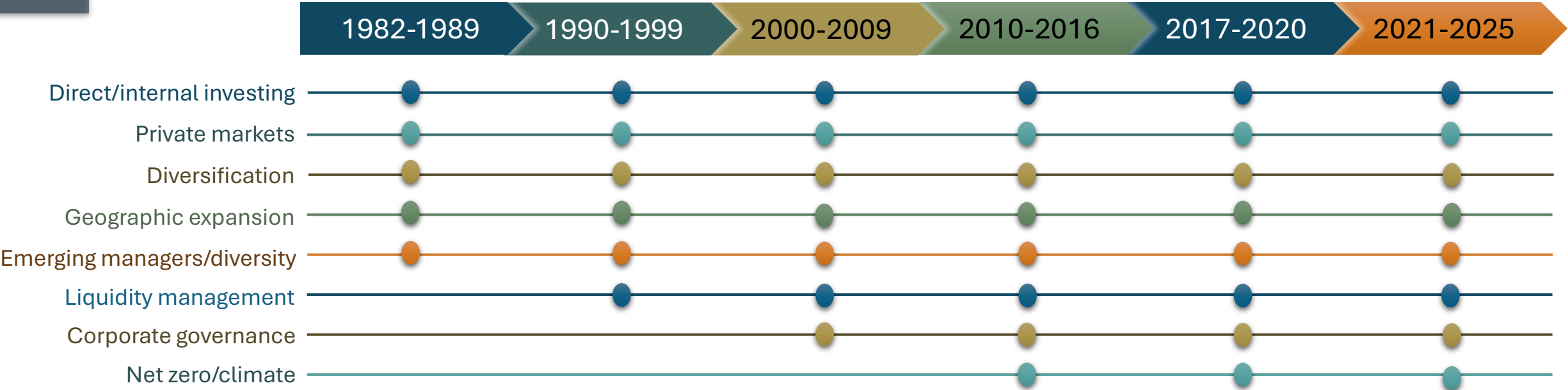
13.9%

The evolution of CalSTRS' investment model

CalSTRS has evolved from building foundational investment capabilities to managing a globally diversified, interconnected Total Fund.



Expanding Investment Complexity



A man and a woman are sitting at a wooden table in a bright, modern office or home workspace. The man, on the left, is wearing a blue button-down shirt over a striped t-shirt and is looking down at a laptop. The woman, on the right, is wearing a mustard-colored jacket and a red and white patterned headband. She is pointing at a document on the table with her right hand. The table is covered with various papers, a pair of glasses, and a yellow mug. In the background, there is a brick wall, a potted plant, and a lamp. The overall atmosphere is professional and collaborative.

Sub committee on fiduciary oversight of human capital management risk

New leadership



Heather Sison

Senior Head of Investment
Operations & Services

Krish Das

Senior Head of Investment
Data & Analytics



Thank you
