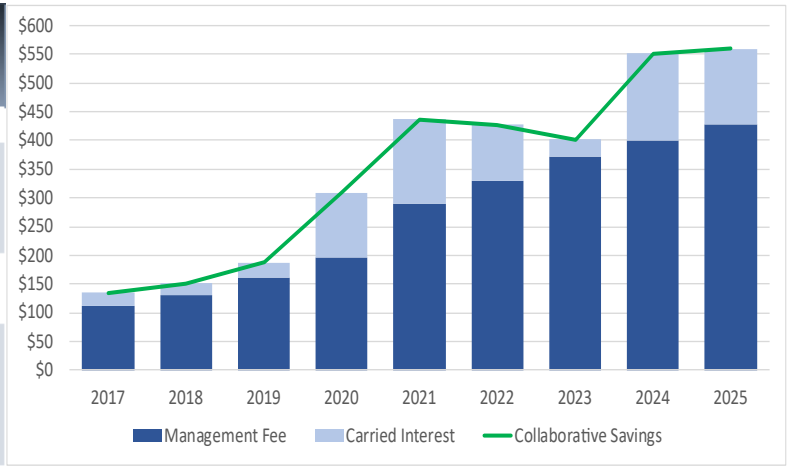
CALSTRS

# Collaborative Savings

| Asset Class | | Net Dollars Earned | Collaborative Dollars Saved | 2025 Return | Return with Savings Removed | Excess Return Added |
|---|---|---|---|---|---|---|
| Total Portfolio | | 45,283 | 559 | 13.01% | 12.93% | 0.09% |
| Growth | Global Equity | 30,911 | 13 | 22.83% | 22.82% | 0.01% |
| | Private Equity | 6,057 | 258 | 11.46% | 10.97% | 0.49% |
| | SISS | 126 | 19 | 1.33% | 1.14% | 0.20% |
| Real Assets | Real Estate | 306 | 121 | 0.66% | 0.40% | 0.26% |
| | Inflation Sensitive | 2,592 | 59 | 10.63% | 10.39% | 0.24% |
| Diversifying | Fixed Income | 3,364 | 67 | 7.71% | 7.55% | 0.15% |
| | RMS | 1,325 | 5 | 4.54% | 4.52% | 0.02% |
| | Collaborative Strategies | 349 | 16 | 8.01% | 7.65% | 0.36% |




| ($ millions) | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total 9 Yr Savings |
|---|---|---|---|---|---|---|---|---|---|---|
| Collaborative Savings | 134.4 | 150.6 | 187.2 | 308.9 | 437.0 | 428.0 | 401.3 | 551.8 | 559.4 | $3.16B |
| Management Fee | 110.8 | 130.2 | 161.4 | 195.3 | 290.5 | 330.0 | 371.0 | 400.7 | 428.6 | |
| Carried Interest | 23.6 | 20.3 | 25.8 | 113.5 | 146.4 | 98.0 | 30.3 | 151.1 | 130.8 | |
| Component Count | 109 | 135 | 166 | 200 | 320 | 365 | 409 | 412 | 459 | |

The total cost savings for 2025 were $559.4 million, slightly up from the previous year. Management fee savings increased while carried interest decreased.

Co-investments overall contribute greater than half of the annual savings, due to the reduced fee and carried interest structure. The savings will increase or decrease variably over time based significantly on whether private asset profits were realized in a given year. The table below outlines the savings per asset class and investment type over the last 5 years.

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## Rolling 5-Year Collaborative Model Savings *(per Asset Class and Investment Type)*

| *($ Millions)* Asset Class | 2025 | | 2024 | | 2023 | | 2022 | | 2021 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Manager Fee | Carried Interest | Manager Fee | Carried Interest | Manager Fee | Carried Interest | Manager Fee | Carried Interest | Manager Fee | Carried Interest |
| **Private Equity** | **$160.2** | **$97.5** | **$154.0** | **$122.2** | **$149.7** | **$25.8** | **$120.8** | **$64.7** | **$97.8** | **$90.5** |
| Co-Investments | $160.2 | $97.5 | $154.0 | $122.2 | $149.7 | $25.8 | $120.8 | $64.7 | $97.8 | $90.5 |
| **Real Estate** | **$101.4** | **$19.7** | **$113.0** | **$19.2** | **$105.4** | **$2.1** | **$72.8** | **$14.0** | **$62.3** | **$17.9** |
| Co-Investments | $8.4 | $1.7 | $8.2 | $2.2 | $10.8 | $0.5 | $8.2 | $6.2 | $9.9 | $3.4 |
| Joint Ventures | $51.1 | $8.5 | $49.0 | $17.0 | $46.9 | $1.7 | $32.8 | $7.8 | $28.9 | $11.6 |
| Separate Accounts | $41.9 | $9.5 | $55.7 | $0.0 | $47.6 | $0.0 | $31.8 | $0.0 | $23.5 | $2.9 |
| **Inflation Sensitive** | **$47.3** | **$11.6** | **$40.0** | **$9.3** | **$30.3** | **$1.7** | **$35.6** | **$18.8** | **$36.6** | **$37.5** |
| Co-Investments | $28.8 | $11.5 | $20.7 | $9.3 | $20.5 | $0.4 | $15.6 | $18.7 | $15.6 | $0.0 |
| Internally Managed | $3.2 | $0.0 | $2.7 | $0.0 | $2.4 | $0.0 | $1.9 | $0.0 | $1.3 | $0.0 |
| Managed Accounts | $15.3 | $0.1 | $16.5 | $0.1 | $7.3 | $1.3 | $18.0 | $0.1 | $19.8 | $37.5 |
| **SISS** | **$18.5** | **$0.1** | **$13.2** | **$0.0** | **$1.9** | **$0.0** | **$0.4** | **$0.0** | **$0.3** | **$0.0** |
| Co-Investments | $18.5 | $0.1 | $13.2 | $0.0 | $1.9 | $0.0 | $0.4 | $0.0 | $0.3 | $0.0 |
| **Fixed Income** | **$66.0** | **$1.3** | **$37.2** | **$0.0** | **$38.2** | **$0.0** | **$59.4** | **$0.0** | **$59.4** | **$0.0** |
| Co-Investments | $19.6 | $1.3 | $0.2 | $0.0 | | | | | | |
| Internally Managed | $46.4 | $0.0 | $36.9 | $0.0 | $38.2 | $0.0 | $59.4 | $0.0 | $59.4 | $0.0 |
| **Global Equity** | **$13.0** | **$0.0** | **$12.3** | **$0.0** | **$15.0** | **$0.0** | **$20.8** | **$0.0** | **$21.0** | **$0.0** |
| Internally Managed | $12.8 | $0.0 | $11.6 | $0.0 | $15.0 | $0.0 | $20.8 | $0.0 | $21.0 | $0.0 |
| **Collaborative Strategies** | **$15.7** | **$0.0** | **$25.0** | **$0.0** | **$24.4** | **$0.1** | **$11.6** | **$0.0** | **$4.2** | **$0.0** |
| Co-Investments | $15.7 | $0.0 | $25.0 | $0.0 | $24.4 | $0.1 | $11.6 | $0.0 | $4.2 | $0.0 |
| **RMS** | **$4.5** | **$0.0** | **$4.5** | **$0.0** | **$4.5** | **$0.0** | **$6.0** | **$0.0** | **$6.3** | **$0.0** |
| Internally Managed | $4.5 | $0.0 | $4.5 | $0.0 | $4.5 | $0.0 | $6.0 | $0.0 | $6.3 | $0.0 |
| **Rebate Agreements** | **$2.0** | **$0.5** | **$1.6** | **$0.4** | **$1.8** | **$0.5** | **$2.5** | **$0.5** | **$2.7** | **$0.5** |
| **Total Savings** | **$428.6** | **$130.8** | **$400.7** | **$151.1** | **$371.0** | **$30.3** | **$330.0** | **$98.0** | **$290.5** | **$146.4** |