MARSH

October 2026

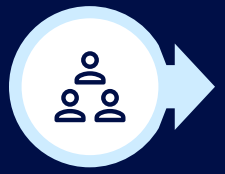
Benefits Valuation Analysis

California State Teachers' Retirement System

Compared to: Other States and Private Financial Services Companies

Josh Wilson
Susan Lemke
Travis Popplewell

Our methodology is grounded in three core principles:



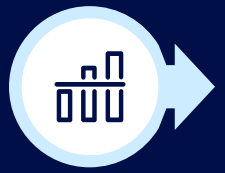
Employee-Centric Value

Benefit values represent the worth of employer-provided benefits from the employee's perspective.



Plan Design Focus

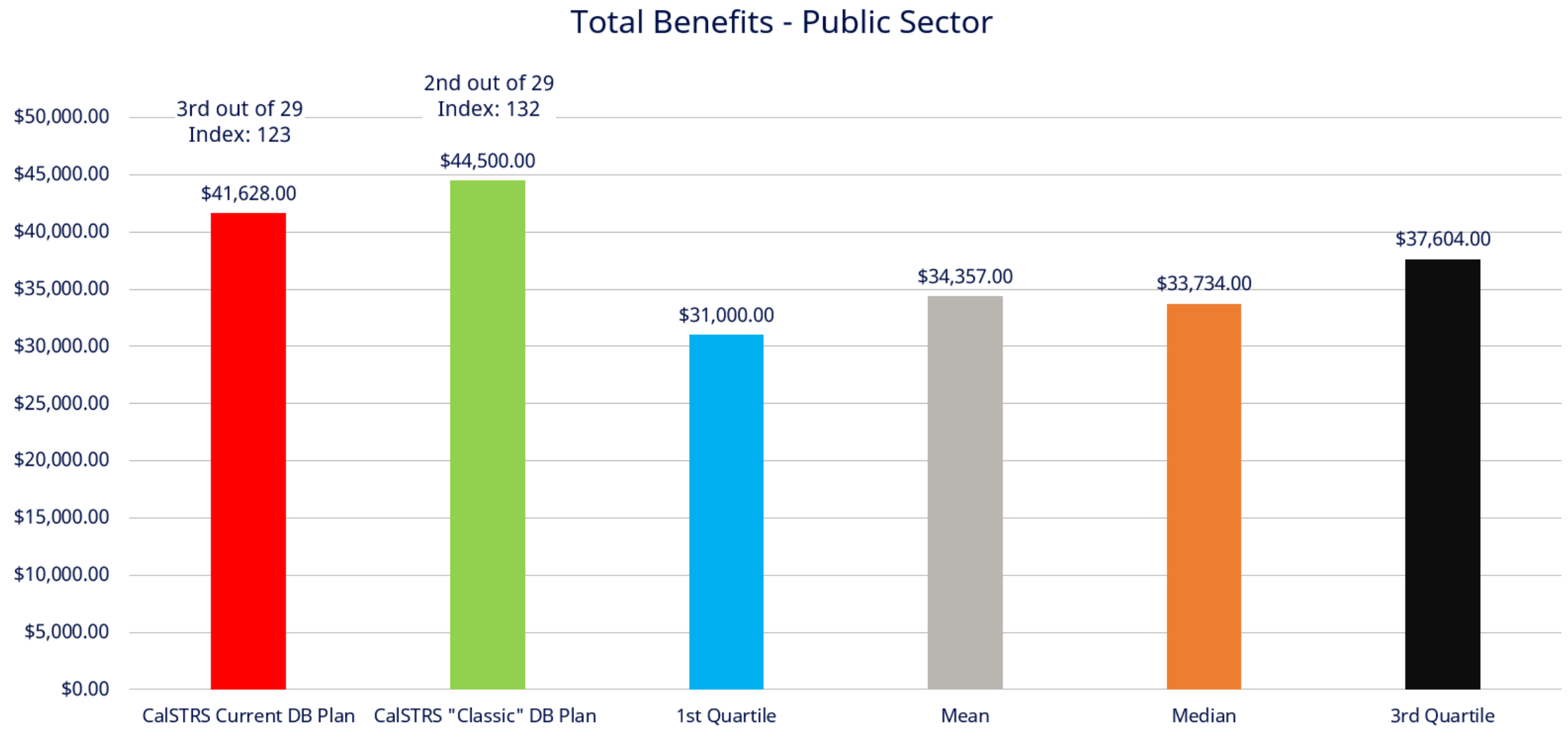
The analysis focuses on plan design by holding constant factors such as pay bands, geographic cost-of-living, claims experience, and negotiating dynamics, ensuring an unbiased benefits comparison. Apart from Retirement, grandfathered and/or frozen plans are excluded from the analysis.



Consistent Workforce Benchmark

Comparisons use a hypothetical national composite workforce – a set of generic employee profiles based on differences in salary, age, gender, and family status. Utilizing the same sample workforce for all organizations removes the impact of demographic differences from the analysis.

CalSTRS' Benefits are More Valuable than Most Other States



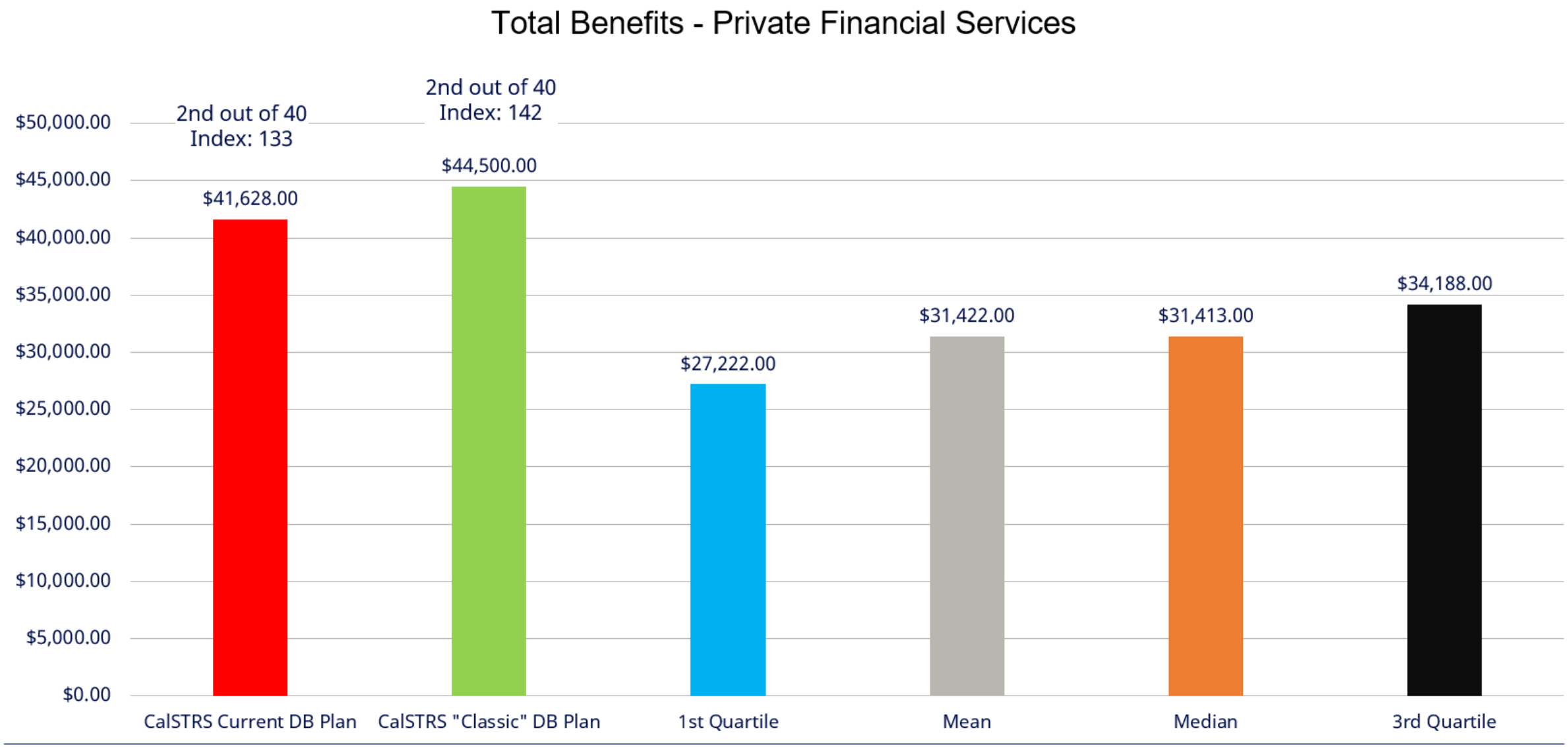
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The following 28 organizations comprise CalSTRS' peer group based on the public sector: (States listed in descending benefits value order)

01	State of New York
02	State of Oregon
03	State of Washington
04	State of Michigan
05	State of Hawaii
06	State of Utah
07	State of Georgia
08	State of South Carolina
09	State of Missouri
10	State of West Virginia
11	State of New Mexico
12	State of Tennessee
13	State of Alabama
14	State of Colorado
15	State of Wyoming
16	State of South Dakota
17	State of North Dakota
18	State of Florida
19	Commonwealth of Virginia
20	State of Minnesota
21	State of Oklahoma
22	State of Nebraska
23	State of Arizona
24	State of Montana
25	State of North Carolina
26	State of Iowa
27	State of Texas
28	State of Kansas

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CalSTRS' Benefits are More Valuable than Private Sector Benefits



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The following 39 organizations comprise CalSTRS' custom peer group based on the financial services industry:

01	AgFirst Farm Credit Bank	16	EverBank	31	Payward, Inc.
02	Ally Financial, Inc.	17	FactSet Research Systems Inc.	32	Rocket Companies, Inc.
03	American Express Company	18	Farm Credit Bank of Texas	33	Scotiabank
04	American Savings Bank	19	Fidelity Investments	34	SoFi Technologies, Inc.
05	Bloomberg L.P.	20	Flagstar Financial, Inc.	35	T. Rowe Price Associates, Inc.
06	BMO Financial Corporation	21	Fulton Bank	36	Teachers Insurance and Annuity Association of America
07	BMW Financial Services NA, LLC	22	Heartland Bank and Trust Company		
08	Capital Group Companies, Inc., The	23	Hyundai Capital America	37	Truist Financial Corporation
09	Capital One Financial Corporation	24	Intercontinental Exchange, Inc.	38	VISA, Inc.
10	Citigroup Inc.	25	LPL Financial Holdings, Inc.	39	Wells Fargo & Company
11	CoBank, ACB	26	MarketAxess Holdings, Inc.		
12	Coinbase, Inc.	27	NinjaTrader Group, LLC		
13	Credit Acceptance Corporation	28	Nu North America, Inc.		
14	Dacotah Banks, Inc.	29	OMERS Strategic Investments U.S.A. Inc.		
15	Edward Jones	30	PayPal Holdings, Inc.		

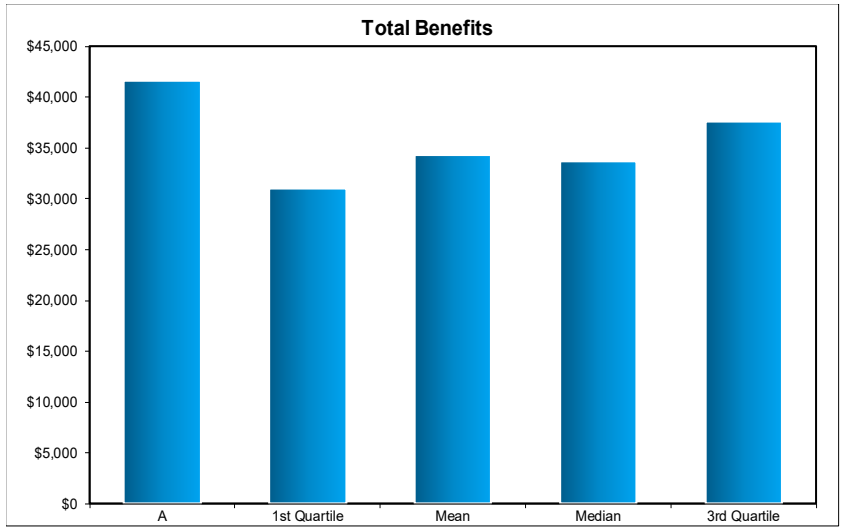
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Total Benefits – Public Sector

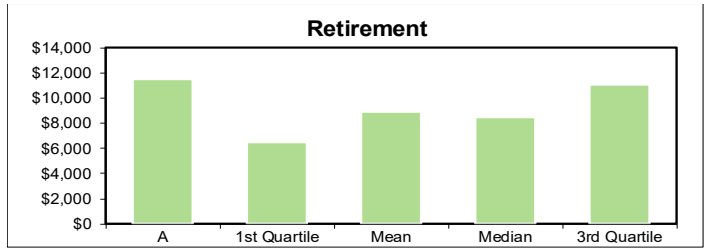
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CalSTRS' overall Total Benefits position includes:

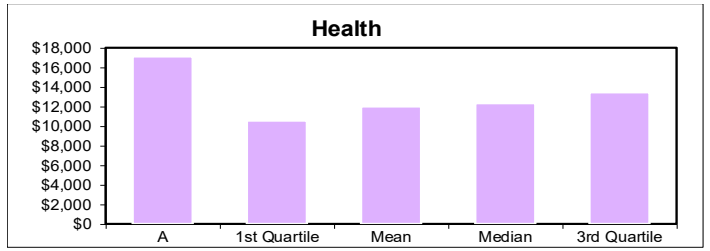
- Above-median Retirement benefits driven by a Defined Benefit plan that reflects a value that is above the 75th percentile relative to the peer group.
  - When the Classic Retirement plan is the valued Defined Benefit plan, Total Benefits reflects a rank of 2 out of 29 and an index of 132.
- A Health plan that benchmarks above median across Medical, Dental, and Post-Retirement Medical, primarily due to more generous cost-sharing.
- Below-median Life & Disability benefits as a result of requiring employees to pay 100% of the cost of the Long-Term Disability, which offset above-median comparisons for Life Insurance and Short-Term Disability.
- Competitive Paid Leave, driven by Vacation and Sick Leave benefits that are aligned with the peer group median.



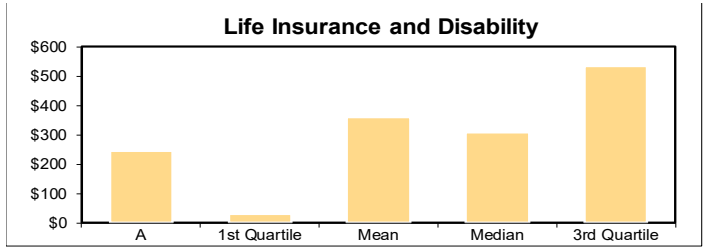
Your Rank: 3 out of 29 Index: 123



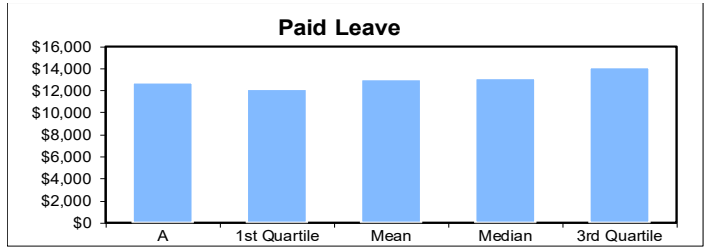
Your Rank: 7 out of 29 Index: 136



Your Rank: 1 out of 29 Index: 138



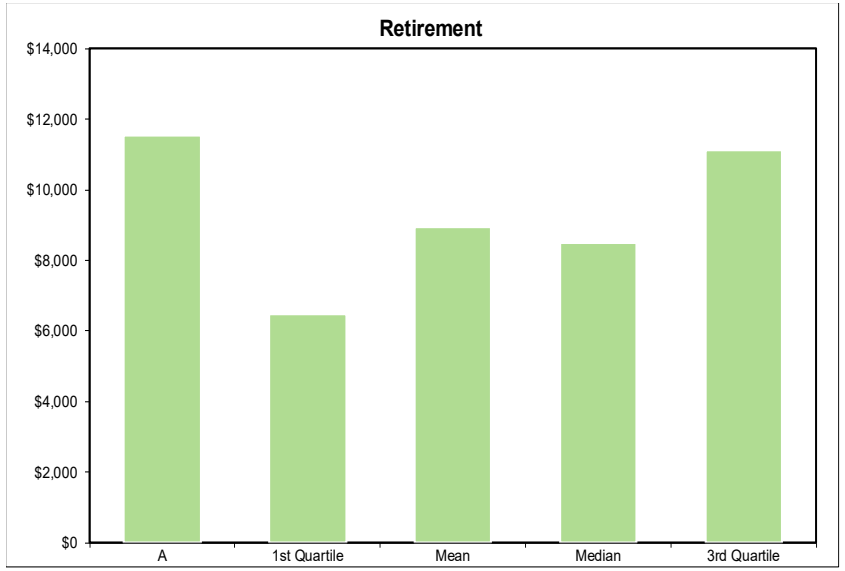
Your Rank: 16 out of 28 Index: 79



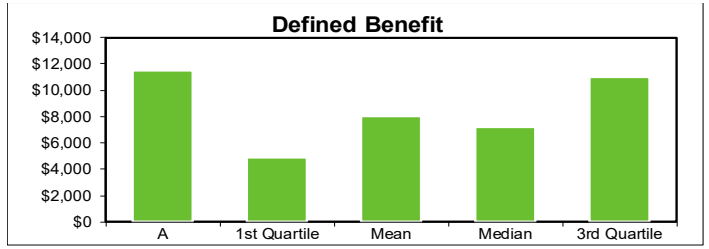
Your Rank: 16 out of 29 Index: 97

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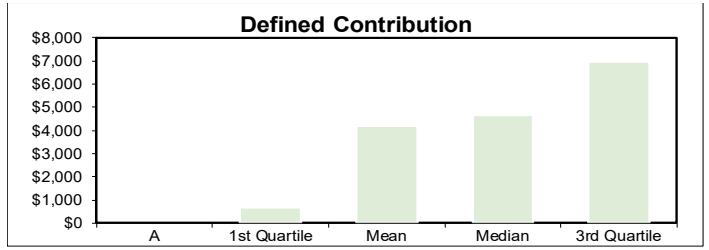
- CalSTRS' overall Retirement position is a driven by an above-median comparison for the Defined Benefit pension plan.
- 36% combine a Defined Contribution plan with a Defined Benefit pension plan. 14% reflect value for a Defined Contribution plan only.
- When considering the value of both plan types, CalSTRS' pension plan remains well above median as the value of the Defined Contribution plans only have a moderate impact on overall Retirement values.



Your Rank: 7 out of 29 Index: 136

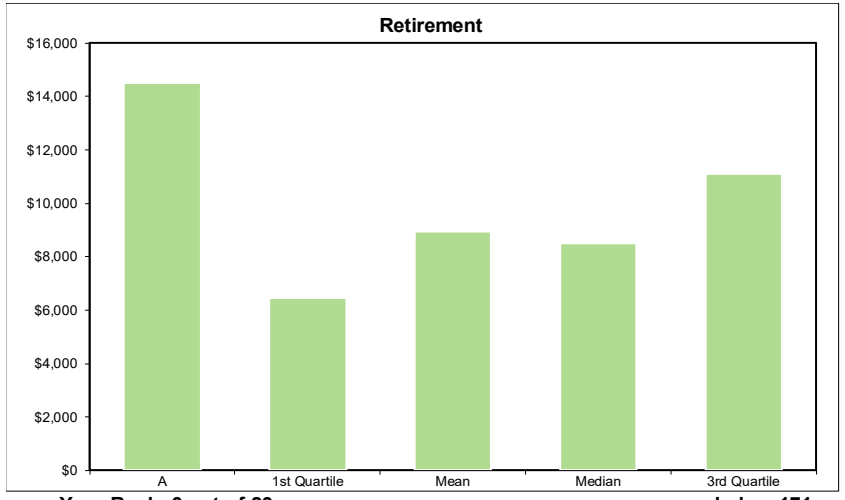


Your Rank: 5 out of 25 Index: 161



Your Rank: N/A Index: N/A

Classic plan (2% at 55)



Your Rank: 3 out of 29 Index: 171

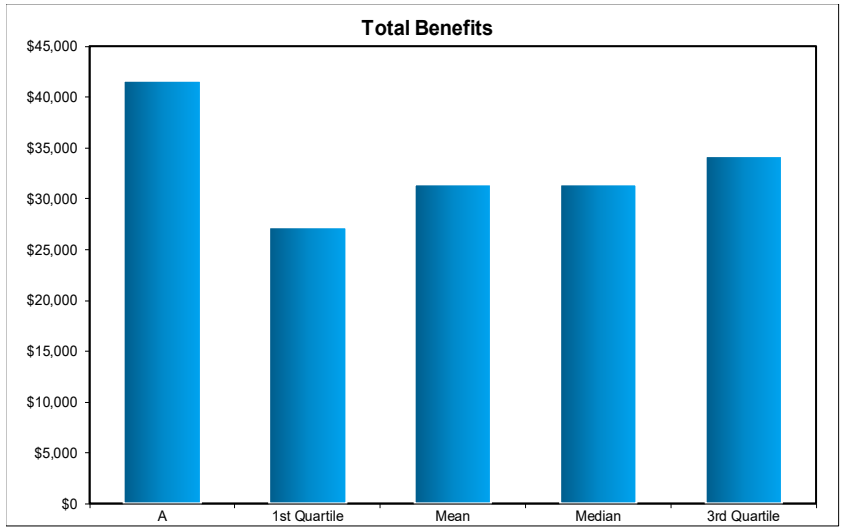
The Classic plan for employees hired prior to 2013 reflects a higher value primarily due to greater benefit factors based on retirement age.

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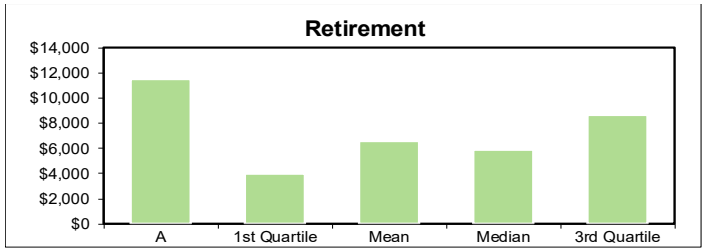
Total Benefits – Private Sector

CalSTRS' overall Total Benefits position includes:

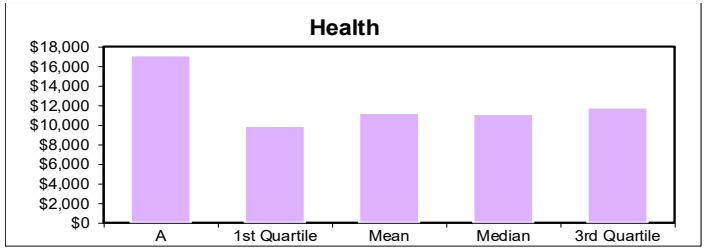
- Above-median Retirement benefits driven by a Defined Benefit plan that reflects a greater overall Retirement value compared to most peer organizations that offer a Defined Contribution plan.
  - When the Classic Retirement plan is the valued Defined Benefit plan, Total Benefits reflects a rank of 2 out of 40 and an index of 142.
- Health plan with above-median comparisons for Medical and Dental plans featuring cost-sharing that is above market practice and more generous plan provisions.
- Life & Disability benefits are below the market practice due to below-median comparisons for both Life Insurance and Short-Term Disability benefits, along with an employee-paid Long-Term Disability plan, which does not generate a value.
- Above-median Paid Leave, driven by an above-median Sick Days combined with Holidays that are equal to the median.



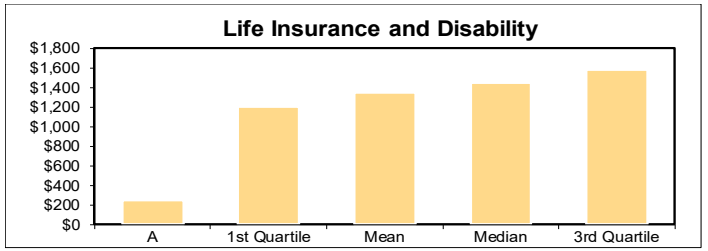
Your Rank: 2 out of 40 **Index: 133**



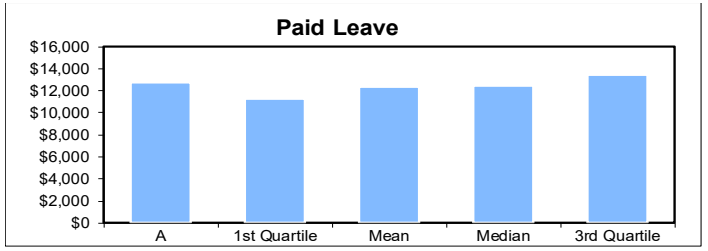
Your Rank: 6 out of 39 **Index: 194**



Your Rank: 1 out of 40 **Index: 153**



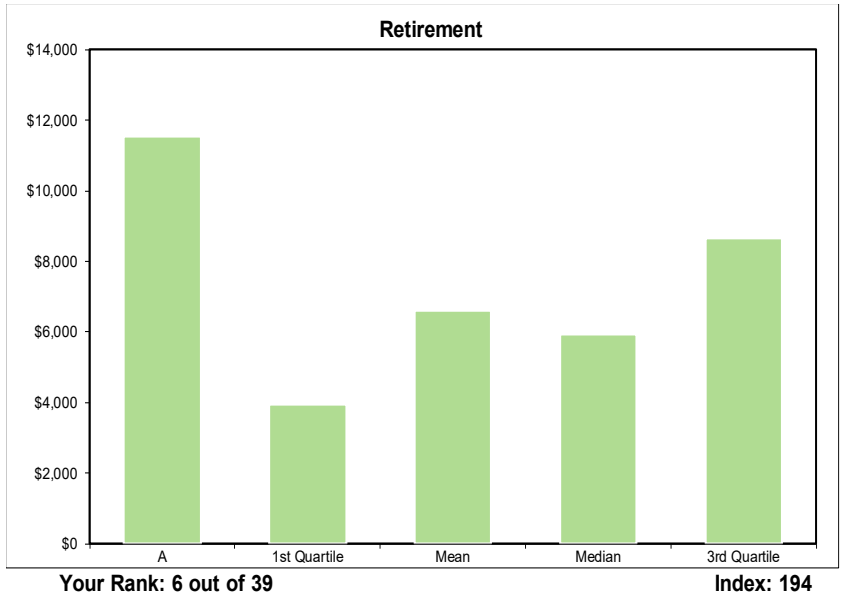
Your Rank: 40 out of 40 **Index: 17**

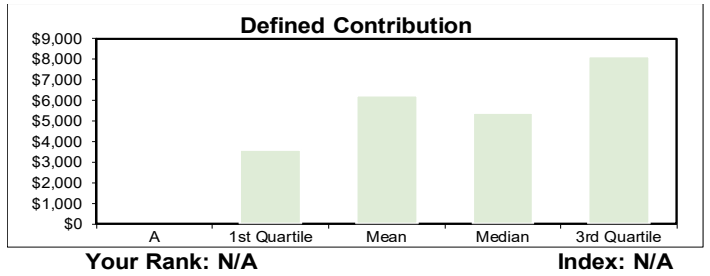


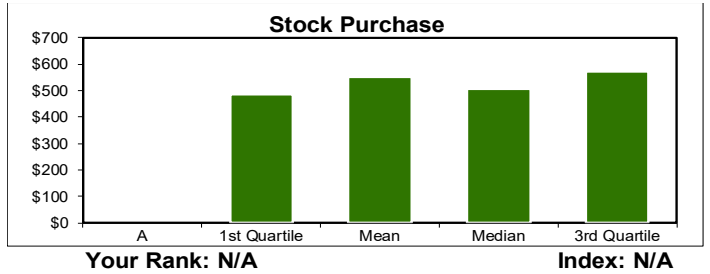
Your Rank: 17 out of 40 **Index: 103**

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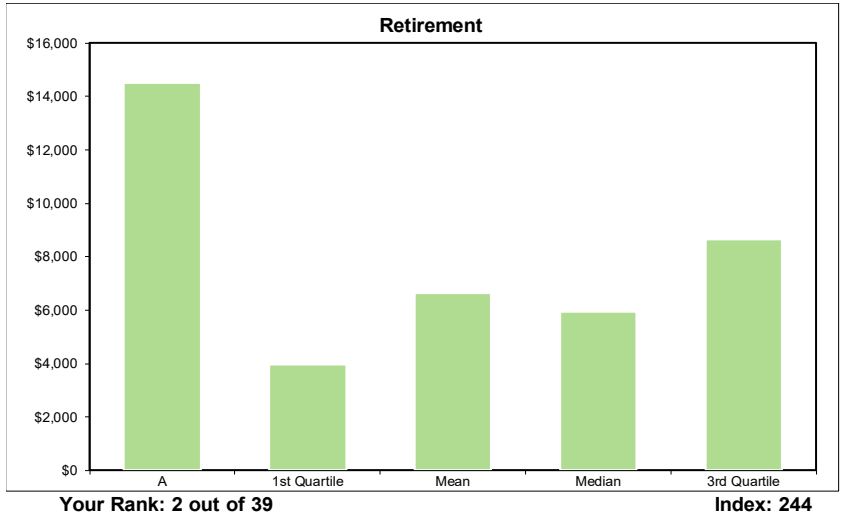
- CalSTRS' above-median position is a result of offering a Defined Benefit pension plan which offers a richer Retirement benefit than most of the Defined Contribution plans offered among the peer group.
- Only one other organization in the study offers an active Defined Benefit plan, which is provided along with a 401(k) and Stock Purchase plan.
- 38% of peers offer a Stock Purchase plan that derives value from a discount or employer match. The Stock Purchase Plans offered have minimal impact on CalSTRS' overall Retirement position.







Classic plan (2% at 55)



The Classic plan for employees hired prior to 2013 reflects a higher value primarily due to greater benefit factors based on retirement age.

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We are leaders in risk, strategy and people. One company, with four global businesses, united by a shared purpose to build the confidence to thrive through the power of perspective.

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