



WILSHIRE ASSOCIATES

Wilshire Consulting



Executive Summary of Performance for

California Public Employees' Retirement System

Judges II

Legislators' Fund

Long-Term Care

California Employers' Retiree Benefit Trusts

California Employers' Pension Prefunding Trust

Health Care Fund

Supplemental Income Plans

Second Quarter 2021



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CAPITAL MARKET OVERVIEW

Inflation continues to accelerate in 2021, and it is unclear as to whether this is the beginning of a persistent trend or one effect of a rapidly reopening economy. U.S. CPI is up 6.5% (annualized) YTD through May, largely due to a spike in energy prices, with oil up more than 50%. Fed Chair Jerome Powell believes that price increases will wane, saying that current pressure points “don’t speak to a broadly tight economy.” Though not typically large contributors to overall inflation, used car and truck prices, which were up 10% in April and another 7% in May, provide some evidence of potentially transitory spikes. The current Output Gap, or the difference between actual and potential economic growth, can provide a much broader read on inflationary pressures. From the mid-1960’s through the 1970’s, the U.S. was typically operating well above potential (except during recessionary periods), which spurred massive inflation. Since then, each time the Output Gap approached zero, inflation crept higher. Currently, however, the lingering impact of the COVID-19 economic shutdowns has the U.S. still running well below potential, which may assist in supporting the Fed’s current patience in the face of rising inflation risks.

U.S. Equity Market

The U.S. stock market, represented by the Wilshire 5000 Total Market IndexSM, was up 8.42% for the second quarter of 2021. Nearly all eleven sectors were in positive territory, with Energy (+12.8%) and Communication Services (+12.1%) representing the best performing sectors. The only sector with negative performance this quarter was Utilities (-0.4%), which represents a relatively small segment of the U.S. market, with a weight of 2.3%. From a size perspective, large-cap outperformed small-cap during the quarter. Style-based results were mixed as large-growth outperformed large-value while growth underperformed within the small-cap space.

Non-US Equity Market

Equity markets outside of the U.S. also enjoyed a strong quarter, with developed markets leading emerging markets. Economic conditions are rapidly improving in the U.K., led by the services sector as retail and hospitality businesses are benefitting from an economy that has almost totally reopened. Unfortunately, after a surge in the delta variant of COVID19 that was originally discovered in India, Prime Minister Boris Johnson delayed lifting the final restrictions, originally due to expire on June 21. Conditions in Germany, Europe’s largest economy, are also improving as pandemic-related restrictions are being lifted. Both the U.K. and Germany are facing accelerating inflation but, like in the U.S., central bankers are remaining patient with accommodative short-term policy rates. China, the world’s second largest economy, continues to achieve accelerating growth. However, the country’s exporting business, a major economic driver, should face increased global competition as economies continue to reopen.

Fixed Income Market

The U.S. Treasury yield curve flattened during the quarter with yields beyond a 3-year maturity falling and shorter-term rates generally rising. The 10-year Treasury yield ended the quarter at 1.47%, down 27 basis points from March. Credit spreads tightened, with the spread on the broad high yield market closing the quarter at 2.68%. The Federal Open Market Committee (FOMC) met twice during the quarter, as scheduled, with no



change to their overnight rate. Messaging has long been an important tool that the Committee wields in delivering on their dual mandate of price stability and maximum employment. Economists are split, however, on interpreting the Fed's current intentions. The FOMC recently opened the conversation on possible tapering of bond purchases and their median forecast for the future overnight rate moved from no change to a 0.5% increase – albeit in 2023. However, a week after the last meeting, Chair Jerome Powell indicated that the Fed would not raise rates “preemptively” on possible inflation fears.

Real Assets & Commodities Markets

Real estate securities were up during the second quarter in both the U.S. and abroad. Gains by sector were generally broad based, with Retail REITs (+16%) and Residential REITs (+14%) leading the market. Commodity results were positive for the quarter as crude oil was up 24.2% to \$73.47 per barrel. Oil prices are now back above pre-COVID levels, up +20% (cumulative) since year-end 2019. Natural gas prices were up 40.0% during the second quarter, ending at \$3.65 per million BTUs, the highest level since January 2019. Midstream energy surged for the third consecutive quarter while the broader infrastructure segment was also positive. Finally, gold prices rebounded 3.4% and finished at approximately \$1,772 per troy ounce.

SUMMARY OF INDEX RETURNS – JUNE 30, 2021

	Quarter	One Year	Three Years	Five Years	Ten Years
Domestic Equity					
Standard & Poor's 500	8.55%	40.79%	18.67%	17.65%	14.84%
Wilshire 5000	8.42	44.24	18.89	17.96	14.76
Wilshire 4500	6.83	63.07	18.81	18.99	14.32
Wilshire Large Cap	8.79	42.73	19.45	18.19	14.99
Wilshire Small Cap	4.75	62.03	13.64	15.76	12.67
Wilshire Micro Cap	4.62	81.91	12.33	16.78	12.30
Domestic Equity					
Wilshire Large Value	5.12%	37.68%	14.52%	12.97%	12.53%
Wilshire Large Growth	11.87	46.35	23.94	23.30	17.31
Wilshire Mid Value	5.64	53.90	9.14	10.03	11.25
Wilshire Mid Growth	3.93	45.38	17.42	18.38	13.10
Wilshire Small Value	6.23	67.73	10.80	12.38	11.75
Wilshire Small Growth	3.16	56.18	16.45	19.12	13.46
International Equity					
MSCI All World ex U.S. (USD)	5.48%	35.72%	9.38%	11.08%	5.45%
MSCI EAFE	5.17	32.35	8.27	10.27	5.89
MSCI Europe	7.42	35.09	8.66	10.34	5.58
MSCI Pacific	1.32	27.80	7.58	10.29	6.57
MSCI Emerging Markets Index	5.05	40.90	11.27	13.03	4.28
Domestic Fixed Income					
Barclays U.S. Aggregate Bond	1.83%	-0.33%	5.34%	3.03%	3.39%
Barclays Treasury	1.75	-3.22	4.66	2.15	2.84
Barclays Mortgage	0.33	-0.42	3.78	2.27	2.64
Barclays Credit	3.32	2.99	7.42	4.63	4.92
Barclays US TIPS	3.25	6.51	6.53	4.17	3.40
FTSE High Yield Cash Pay	2.64	15.52	6.97	7.13	6.32
91-Day Treasury Bill	0.00	0.09	1.34	1.17	0.63
Currency*					
Euro vs. \$	0.90%	5.58%	0.52%	1.31%	-1.99%
Yen vs. \$	-0.44	-2.79	-0.07	-1.56	-3.13
Pound vs. \$	0.13	11.81	1.52	0.66	-1.49
Real Estate					
Wilshire REIT Index	12.84%	37.52%	10.06%	6.36%	9.38%
Wilshire RESI	12.75	37.55	10.01	6.46	9.49

SUMMARY REVIEW OF PLANS PERIOD ENDED JUNE 30, 2021

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Total Fund*	\$ 470,837.7	5.5%	21.3%	10.7%	10.3%	8.5%
Total Fund Policy Benchmark ¹		5.2%	21.7%	10.8%	10.5%	8.5%
Actuarial Rate		1.7%	7.0%	7.1%	7.2%	7.4%
* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.						
Affiliate Funds:						
Judges I	\$ 63.5	0.0%	0.1%	1.4%	1.3%	0.7%
91-Day Treasury Bill		0.0%	0.1%	1.3%	1.2%	0.6%
Judges II	\$ 2,394.7	6.4%	24.4%	11.6%	10.3%	8.5%
Weighted Policy Benchmark		6.3%	24.2%	11.2%	10.0%	8.3%
Legislators' Retirement System	\$ 122.2	5.5%	13.6%	9.0%	7.2%	6.5%
Weighted Policy Benchmark		5.5%	13.4%	8.8%	7.0%	6.3%
Long-Term Care ("LTC")	\$ 5,476.4	6.0%	13.0%	8.2%	6.0%	5.2%
Weighted Policy Benchmark		5.8%	12.3%	8.2%	6.0%	5.1%
CERBT Strategy 1	\$ 13,042.0	6.6%	27.5%	11.9%	10.8%	8.4%
CERBT Strategy 1 Policy Benchmark		6.5%	27.3%	11.7%	10.5%	8.1%
CERBT Strategy 2	\$ 1,815.5	6.0%	19.7%	10.5%	9.0%	-.%
CERBT Strategy 2 Policy Benchmark		6.0%	19.5%	10.3%	8.7%	-.%
CERBT Strategy 3	\$ 818.7	5.5%	13.6%	9.0%	7.1%	-.%
CERBT Strategy 3 Policy Benchmark		5.5%	13.4%	8.8%	6.9%	-.%
CEPPT Strategy 1	\$ 38.6	4.7%	18.2%	-.%	-.%	-.%
CEPPT Strategy 1 Policy Benchmark		4.6%	18.1%	-.%	-.%	-.%
CEPPT Strategy 2	\$ 19.4	3.2%	7.9%	-.%	-.%	-.%
CEPPT Strategy 2 Policy Benchmark		3.2%	7.8%	-.%	-.%	-.%
Health Care Fund	\$ 518.4	1.8%	-0.4%	5.4%	3.1%	3.7%
Barclays U.S. Aggregate		1.8%	-0.3%	5.3%	3.0%	3.4%
Supplemental Contribution Plan	\$ 124.6					
CalPERS Custom SCP Plan Index		NM	NM	NM	NM	NM
457 Program	\$ 2,119.1					
CalPERS Custom 457 Plan Index		NM	NM	NM	NM	NM

¹ CalPERS Total Fund Policy Benchmark is currently computed by weighting the System's major asset class benchmarks at their respective policy targets, rebalanced periodically.

TOTAL FUND PERIOD ENDED JUNE 30, 2021

TOTAL FUND PERFORMANCE									
	Asset Value *						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
TOTAL FUND*	\$ 470.8	5.5%	21.3%	10.7%	10.3%	8.5%	\$ 65.1	1.2	-0.1
<i>Total Fund Policy Benchmark</i>		5.2%	21.7%	10.8%	10.5%	8.5%		1.3	0.0
<i>Actuarial Rate</i>		1.7%	7.0%	7.1%	7.2%	7.4%			
PUBLIC EQUITY**	\$ 242.2	6.8%	36.3%	13.3%	14.2%	10.1%	\$ 50.4	0.9	-0.2
<i>Public Equity Policy Benchmark</i>		6.8%	36.0%	13.2%	14.2%	10.0%		0.9	0.0
Public Equity - Cap Weighted**	\$ 171.7	7.2%	42.0%	15.0%	15.2%	10.5%	\$ 39.2	0.9	-0.2
<i>CalPERS Custom FTSE Global Benchmark</i>		7.2%	41.6%	14.9%	15.2%	10.4%		0.9	0.0
Public Equity - Factor Weighted	\$ 70.5	5.8%	22.6%	10.7%	--%	--%	\$ 11.8	N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		5.8%	22.6%	10.6%	--%	--%		N/A	N/A
PRIVATE EQUITY	\$ 38.9	9.7%	43.8%	13.7%	14.2%	12.0%	\$ 15.9	1.7	-0.1
<i>Private Equity Policy Benchmark</i>		5.6%	61.1%	14.3%	16.3%	13.4%		1.0	0.0
INCOME**	\$ 140.4	3.7%	-0.1%	7.2%	4.4%	5.1%	\$ 12.4	0.6	1.9
<i>Income Policy Benchmark</i>		3.7%	-0.8%	6.8%	3.8%	4.6%		0.5	0.0
Spread	\$ 70.9	2.9%	3.2%	7.1%	--%	--%	\$ 5.3	N/A	N/A
<i>BBG Barc Custom Global Long Spread Index</i>		2.8%	2.6%	6.4%	--%	--%		N/A	N/A
Treasury**	\$ 48.3	5.2%	-8.5%	6.6%	3.0%	5.0%	\$ 6.4	0.2	0.0
Total Fund Income	\$ 7.1	5.6%	--%	--%	--%	--%	\$ 0.9	N/A	N/A
<i>CalPERS Custom Treasury Benchmark</i>		5.2%	-8.7%	6.8%	3.0%	5.1%		0.2	0.0
High Yield	\$ 14.2	2.4%	13.7%	6.8%	--%	--%	\$ 1.8	N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.4%	13.4%	6.7%	--%	--%		N/A	N/A
REAL ASSETS	\$ 45.3	1.5%	2.6%	3.6%	5.2%	8.1%	\$ 6.5	1.5	0.1
<i>Real Assets Policy Benchmark</i>		1.9%	1.3%	3.9%	5.1%	8.0%		1.5	0.0
LLER	\$ 9.5	0.5%	4.0%	2.8%	3.0%	--%	\$ 0.3	0.7	0.8
<i>LIBOR 1 Month Rate</i>		0.0%	0.1%	0.9%	0.9%	--%		-1.6	0.0
OPPORTUNISTIC STRATEGIES	\$ 2.1	7.2%	13.1%	--%	--%	--%	\$ 0.1	N/A	N/A
<i>Custom Opportunistic Strategies Benchmark</i>		1.7%	7.0%	--%	--%	--%		N/A	N/A
OTHER **	\$ 0.2	NM	NM	NM	NM	NM		N/A	N/A
LIQUIDITY	\$ 4.8	0.0%	0.1%	1.4%	1.4%	1.2%	\$ (0.0)	0.6	3.9
<i>Liquidity Policy Benchmark</i>		0.0%	0.1%	1.2%	1.1%	1.3%		-0.5	0.0
TRUST LEVEL FINANCING	\$ (12.6)	0.1%	--%	--%	--%	--%		N/A	N/A
TERMINATED AGENCY POOL	\$ 0.2	5.0%	1.6%	8.1%	4.8%	--%		N/A	N/A
TOTAL FUND PLUS TAP	\$ 471.0	5.5%	21.3%	10.7%	10.3%	8.5%		N/A	N/A

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

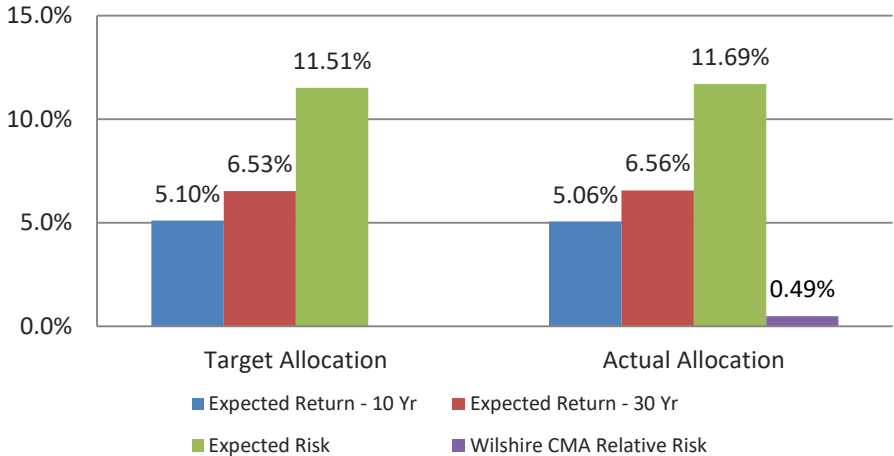
** The CalPERS asset values shown include derivative exposure.

*** More details of the OTHER program can be found in the program section, page 21.

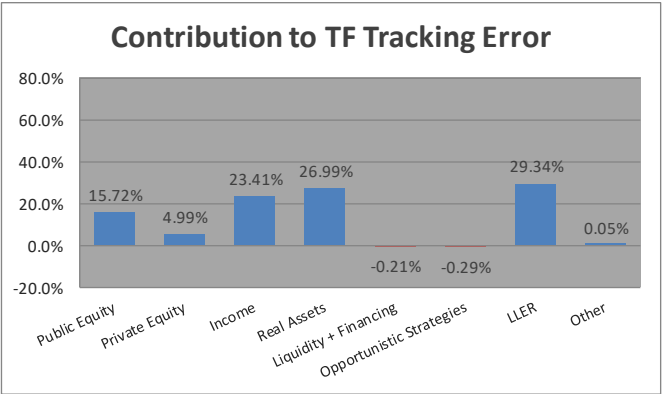
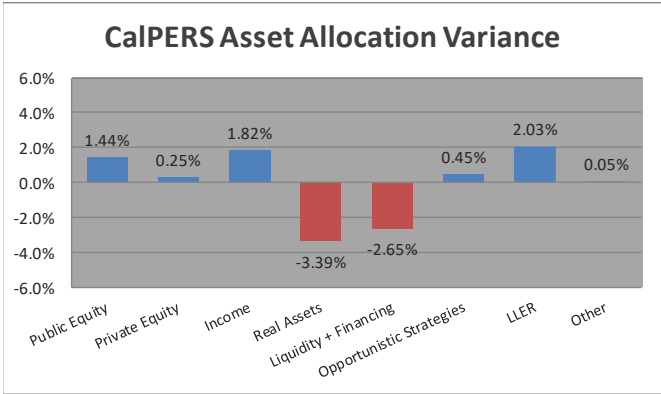
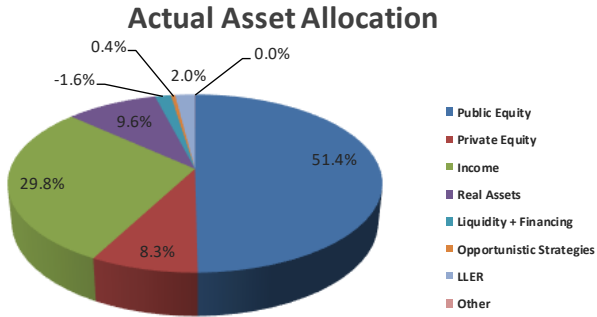
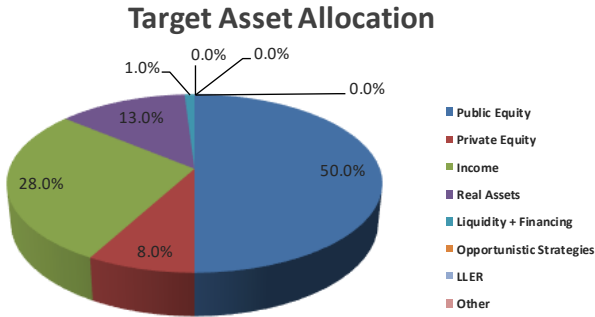


**TOTAL FUND
PERIOD ENDED JUNE 30, 2021**

EXPECTED RETURN AND RISK²



TOTAL FUND ASSET ALLOCATION BASED TRACKING ERROR



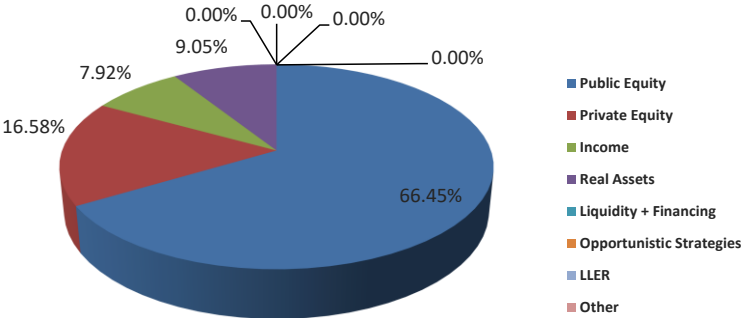
² Return and risk values expressed in this page are derived based on Wilshire Consulting Capital Market Assumptions, which are forward looking in nature.



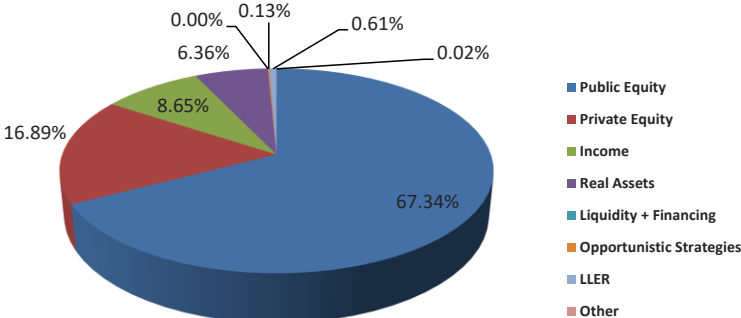
**TOTAL FUND
PERIOD ENDED JUNE 30, 2021**

CONTRIBUTION TO TOTAL RISK³

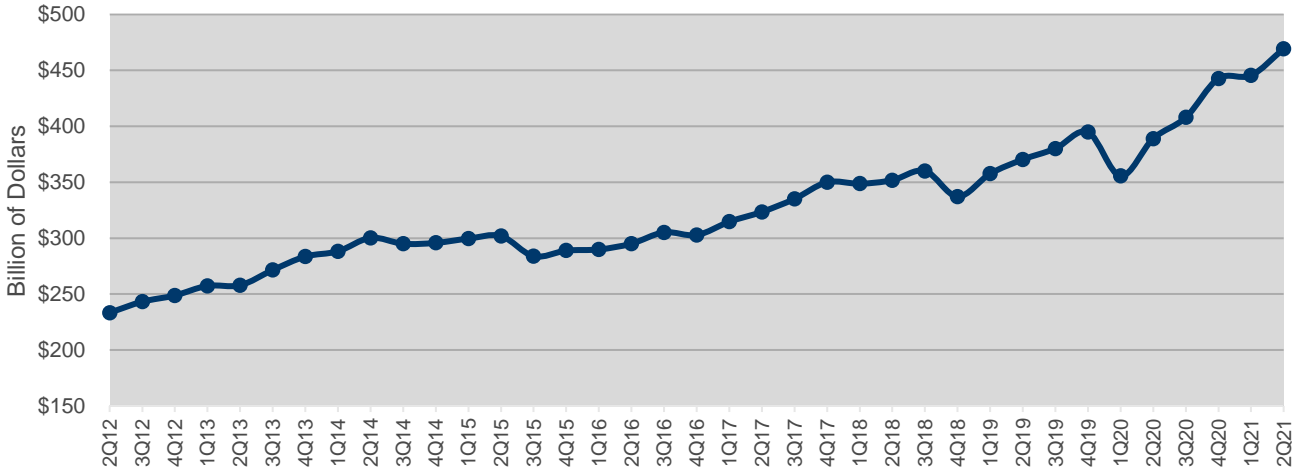
Contribution to Total Risk - Target Allocation



Contribution to Total Risk - Actual Allocation



CHANGES IN ASSET VALUE



³ Return and risk values expressed in this page are derived based on Wilshire Consulting Capital Market Assumptions, which are forward looking in nature.

TOTAL FUND PERIOD ENDED JUNE 30, 2021

TOTAL FUND ATTRIBUTION – QUARTER

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	52.12	6.77	52.35	6.79	-0.22	-0.02	0.01	-0.01	0.00
Public Equity - Cap Weighted	37.02	7.17	37.22	7.21	-0.20	-0.04	0.01	-0.01	-0.01
Public Equity - Factor Weighted	15.11	5.80	15.13	5.77	-0.02	0.04	0.00	0.01	0.01
Private Equity	7.86	9.70	7.52	5.26	0.34	4.44	0.03	0.28	0.31
Income	29.03	3.76	29.11	3.68	-0.09	0.08	0.00	0.02	0.02
Spread	14.76	2.89	14.83	2.81	-0.07	0.08	0.00	0.01	0.01
Treasury	9.84	5.16	11.32	5.16	-1.48	0.00	0.00	0.00	0.00
Total Fund Income	1.48	5.56	0.00	5.16	1.48	0.39	0.00	0.01	0.01
High Yield	2.95	2.40	2.96	2.42	-0.01	-0.02	0.00	0.00	0.00
Real Assets	10.03	1.47	10.04	1.86	-0.01	-0.39	0.00	-0.04	-0.04
Total Fund	2.60	NM	0.00	0.00	2.60	NM	-0.13	0.02	-0.11
Opportunistic Strategies	0.30	7.24	0.00	1.70	0.30	5.53	-0.01	0.02	0.01
LLER	2.25	0.47	0.00	0.02	2.25	0.46	-0.12	0.01	-0.11
Other	0.05	NM **	0.00	0.00	0.05	NM **	0.00	0.00	-0.01
Liquidity	1.44	0.02	0.98	0.00	0.46	0.01	-0.03	0.00	-0.03
Trust Level Financing	-3.08	0.08	0.00	NM	-3.08	NM	0.18	0.00	0.17
Monthly Linked Return	100.00	5.54	100.00	5.22			0.05	0.27	0.32
Residual		0.00		0.00		0.00			0.00
Total Perf		5.54		5.22		0.32			0.32

* Average period weight displayed.

** More details of the OTHER program can be found in the program section, page 21.

TOTAL FUND PERIOD ENDED JUNE 30, 2021

TOTAL FUND ATTRIBUTION – CALENDAR YEAR-TO-DATE

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	52.44	11.53	52.62	11.31	-0.18	0.22	0.00	0.11	0.12
Public Equity - Cap Weighted	37.44	13.13	37.63	12.85	-0.18	0.28	0.00	0.10	0.11
Public Equity - Factor Weighted	14.99	7.59	15.00	7.52	0.00	0.08	0.00	0.01	0.01
Private Equity	7.47	19.44	7.25	22.07	0.22	-2.63	0.07	-0.30	-0.24
Income	28.99	-2.70	29.09	-2.83	-0.10	0.13	0.01	0.04	0.05
Spread	14.81	-1.02	14.86	-1.23	-0.05	0.20	0.00	0.03	0.04
Treasury	9.74	-6.49	11.24	-6.49	-1.50	0.00	0.21	0.00	0.21
Total Fund Income	1.46	-6.32	0.00	-6.49	1.46	0.16	-0.20	0.00	-0.20
High Yield	2.98	2.82	2.99	2.72	-0.01	0.09	0.00	0.00	0.00
Real Assets	10.07	3.88	10.05	2.95	0.02	0.93	0.00	0.10	0.10
Total Fund	2.68	NM	0.00	0.00	2.68	NM	-0.18	0.04	-0.14
Opportunistic Strategies	0.26	9.84	0.00	3.41	0.26	6.43	-0.01	0.02	0.01
LLER	2.37	1.09	0.00	0.04	2.37	1.06	-0.16	0.03	-0.14
Other	0.05	NM **	0.00	0.00	0.05	NM **	0.00	-0.01	-0.01
Liquidity	1.56	0.04	0.99	0.01	0.57	0.03	-0.03	0.00	-0.03
Trust Level Financing	-3.20	0.05	0.00	NM	-3.20	NM	0.22	0.00	0.22
Monthly Linked Return	100.00	7.00	100.00	6.92		0.08	0.10	-0.01	0.08
Residual		0.00		0.00		0.00			0.00
Total Perf		7.00		6.92		0.08			0.08

* Average period weight displayed.

** More details of the OTHER program can be found in the program section, page 21.

**TOTAL FUND
PERIOD ENDED JUNE 30, 2021**
TOTAL FUND ATTRIBUTION – FISCAL YEAR-TO-DATE

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	52.86	36.28	52.96	35.97	-0.10	0.31	-0.01	0.15	0.14
Public Equity - Cap Weighted	37.87	42.04	37.96	41.58	-0.10	0.46	0.00	0.15	0.15
Public Equity - Factor Weighted	14.99	22.62	15.00	22.64	-0.01	-0.02	0.00	0.00	-0.01
Private Equity	6.98	43.78	6.79	58.78	0.19	-15.00	0.19	-1.19	-1.00
Income	28.70	-0.11	28.87	-0.76	-0.16	0.65	0.05	0.20	0.25
Spread	15.18	3.19	14.85	2.58	0.33	0.62	-0.06	0.11	0.05
Treasury	9.44	-8.52	11.01	-8.65	-1.57	0.13	0.52	0.02	0.53
Total Fund Income	1.10	-5.26	0.00	-8.65	1.10	3.40	-0.41	0.07	-0.34
High Yield	2.99	13.68	3.00	13.40	-0.01	0.28	0.00	0.01	0.01
Real Assets	10.38	2.58	10.39	1.30	-0.01	1.28	0.00	0.15	0.15
Total Fund	1.48	NM	0.00	0.00	1.48	NM	-0.21	0.02	-0.19
Opportunistic Strategies	0.18	13.08	0.00	6.99	0.18	6.09	-0.03	0.02	0.00
LLER	1.19	4.05	0.00	0.09	1.19	3.95	-0.19	0.03	-0.16
Other	0.05	NM **	0.00	0.00	0.05	NM **	-0.01	-0.01	-0.02
Liquidity	1.18	0.12	0.99	0.06	0.20	0.06	0.00	0.00	0.00
Trust Level Financing	-1.60	0.05	0.00	NM	-1.60	NM	0.25	0.00	0.25
Monthly Linked Return	100.00	21.34	100.00	21.74			0.30	-0.66	-0.40
Residual		-0.02		0.00		-0.02			-0.02
Total Perf		21.33		21.74		-0.42			-0.42

* Average period weight displayed.

** More details of the OTHER program can be found in the program section, page 21.



TOTAL FUND PERIOD ENDED JUNE 30, 2021

TOTAL FUND ATTRIBUTION – WILSHIRE COMMENT

The California Public Employees' Retirement System ("CalPERS, the System") generated a total fund return of 5.54% for the quarter ended June 30, 2021. CalPERS' return can be attributed as follows:

5.22%	Strategic Policy Allocation
0.05%	Actual/Tactical Asset Allocation
0.28%	Active Management
<u>-0.01%</u>	Residual (Trading/Currency Hedging)
5.54%	Total Return

The total fund attribution table in the previous pages display the return contribution of each asset class to the total fund. These tables allows the Board to see whether tactical allocation and active management within asset classes helped or hurt performance during the measured period.

- **Strategic Policy:** The contribution to total return from each asset class, calculated as the percentage allocated to each asset class multiplied by the benchmark return for that asset class
- **Actual Allocation:** The return contribution during the measured period due to differences in the actual allocation from the policy allocation (i.e. the actual allocation to total equity was higher than the policy allocation). A positive number would indicate an overweight benefited performance and vice versa
- **Active Management:** The return contribution from active management. The number would be positive if the asset class outperformed the designated policy index and vice versa (i.e. the Income segment outperformed its custom benchmark during a quarter and contributed positively to active management)
- **Actual Return:** The actual return of the asset classes if allocations to them were static during the quarter. These returns will not match exactly with the actual segment returns since asset class allocations change during the quarter due to market movement, cash flows, etc.

Wilshire attribution showed that active management was the primary contributor to the System achieving a +32 bps out-performance in Q2. Among the major CalPERS investment programs, Private Equity was the standout that made the biggest impact, as it delivered a +444 bps benchmark-beat that was miles ahead of all other program's contributions, and helped more than offset a weaker Real Assets showing that had the largest margin of underperformance (of -39 bps) among all CalPERS asset classes.

TOTAL FUND PERIOD ENDED JUNE 30, 2021

RELATIVE TO TOTAL FUND POLICY BENCHMARK

Public Equity: Under the benign backdrop where falling COVID-19 case counts and advancing vaccination rate continued to drive the economic reopening theme, global equity markets largely saw unabated risk-on flows during the second quarter of 2021. While the positive momentum tapered off in June amid a fresh wave of inflation concerns, the CalPERS Public Equity program had little trouble posting up three straight monthly advances to conclude the quarter with a 6.8% gain. This marked the program's fifth consecutive quarter of solid returns coming out of last year's drawdown, bringing its trailing 1-year total return to 36.3%. Both the quarterly and 1-year numbers were ahead of the Total Fund Policy Benchmark by healthy margins of +155 bps and +1,454 bps respectively, with the latter performance figure also topping Public Equity's own policy benchmark (which was up 36.0%) and contributed to Total Fund in both absolute and relative terms.

Private Equity: The same macro factors driving public equities' success also carried private equity investments. Riding on rebounded market activity and strong momentum the Private Equity program has now generated robust returns that led all major CalPERS asset classes in three of the past four quarters, as it was up 9.7% in Q2 and 43.8% over the past 12-month period. Relative to the Total Fund Policy Benchmark's 5.2% and 21.7% returns for the same periods, Private Equity's output showed very well and made sizable contribution to the System's overall rate of gains. However, the 1-year return did underperform the program's own policy benchmark by a large margin of -1,500 bps, therefore making Private Equity a relative detractor for the most recent fiscal year from an attribution perspective.

Income: After suffering steep losses during the first three months of the year due to inflation fear-driven surging yields, the U.S. bond market reclaimed some lost ground during Q2 as yields steadily retreated after the pent-up demand-fueled jump in inflation came to pass. After reaching a peak of 1.74% at the end of March, the bellwether 10-year UST yield fell -27 bps over the next three months; this ushered in welcoming relief on downward price pressure which in turn provided grounds for the CalPERS Income asset class to rebound through the entire quarter. With a 3.8% total return, this performance showed well against the Income policy benchmark, which was up 3.7% for the same period. Q2's solid showing positively boosted the asset class's full fiscal year result as well, nearly bringing it back into the black (-0.1% vs. policy benchmark's -0.8%) while making Income a large value-added to Total Fund in relative terms.

Real Assets: Compared to Public Equity/Private Equity/Income, Real Assets remains one of the lower returning major CalPERS segments. But under the rising vaccination/reopening narrative Real Assets has seen its performance stabilize coming out of the disappointing 2020 and is now back to generating low-single digit rate of quarterly returns for the System; Q2's 1.5% program return falls right within the historical return range of 1.3%-2.0%. This figure was behind the Total Fund Policy Benchmark's same-quarter pace of 5.2%, but it did bring Real Assets' 1-year gain to 2.6%, which represented a +128 bps outperformance against the program's own benchmark and made it a net contributor at the Total Fund level for the most recent fiscal year.

Liquidity: With short-term interest rates remaining at historically low levels, the Liquidity asset class, which is solely comprised of short-term investment funds, ended Q2 essentially flat. Over time this asset class has performed well within expectations, where its 0.1% trailing 1-year total return and long-term track record both continued to track close to its own benchmark measure.

PUBLIC EQUITY PERIOD ENDED JUNE 30, 2021

PUBLIC EQUITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PUBLIC EQUITY	51.4%	50.0%	1.4%
Public Equity - Cap Weighted	36.5%	35.0%	1.5%
Public Equity - Factor Weighted	15.0%	15.0%	0.0%

PUBLIC EQUITY SEGMENT PERFORMANCE

	Asset Value* (\$Billion)	Asset Value*					VaR (\$Billion)	5-Year Ratios	
		Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
PUBLIC EQUITY	\$ 242.2	6.8%	36.3%	13.3%	14.2%	10.1%	\$ 50.4	0.9	-0.2
<i>Public Equity Policy Benchmark</i>		6.8%	36.0%	13.2%	14.2%	10.0%		0.9	0.0
Public Equity - Cap Weighted**	\$ 171.7	7.2%	42.0%	15.0%	15.2%	10.5%	\$ 39.2	0.9	-0.2
<i>CalPERS Custom FTSE Global Benchmark</i>		7.2%	41.6%	14.9%	15.2%	10.4%		0.9	0.0
Public Equity - Factor Weighted	\$ 70.5	5.8%	22.6%	10.7%	-.%	-.%	\$ 11.8	N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		5.8%	22.6%	10.6%	-.%	-.%		N/A	N/A

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

** The CalPERS asset values shown include derivative exposure.

PUBLIC EQUITY PORTFOLIOS PERFORMANCE

	Asset Value (\$Billion)	Asset Value*					VaR (\$Billion)	5-Year Ratios	
		Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Public Equity - Cap Weighted									
Global Equity Index-Oriented Strategy	\$ 160.9	7.3%	41.9%	15.2%	15.6%	10.8%		1.0	1.3
<i>GE Index-Oriented Strategy Benchmark</i>		7.3%	41.7%	15.0%	15.4%	10.7%		0.9	0.0
Global Equity Alternative Beta	\$ 1.5	6.9%	40.7%	13.5%	14.0%	9.5%		0.9	-0.8
<i>GE Alternative Beta Custom Index</i>		7.2%	41.6%	14.8%	15.2%	9.8%		0.9	0.0
GE Public Equity - Traditional Active	\$ 8.0	6.1%	46.5%	17.4%	16.3%	11.2%		1.0	1.0
<i>GE Active ex-Alt Beta Custom Index</i>		6.9%	40.6%	14.2%	14.4%	9.9%		0.9	0.0
Other	\$ 1.4	NM	NM	NM	NM	NM		N/A	N/A
Public Equity - Factor Weighted (Min Volatility)									
Internal Factor Weighted Idx Oriented	\$ 70.5	5.8%	22.6%	10.7%	-.%	-.%		N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		5.8%	22.6%	10.6%	-.%	-.%		N/A	N/A

PUBLIC EQUITY PERIOD ENDED JUNE 30, 2021

PERFORMANCE NOTES – PUBLIC EQUITY

Cap Weighted Public Equity – Index-Oriented Strategy: By far the largest component within Public Equity representing 66% of the assets, Index-Oriented Strategy continue to set the tone for the entire asset class's performance. For the quarter this program precisely tracked the flow of the global equity market, which, supported by the reopening world economy, strong corporate earnings and unchanged central bank stimulative policies, largely exhibited an upward slope reaching higher lows and higher highs. Its benchmark-tying Q2 return of 7.3% paced all Public Equity components, and fed into a full 1-year return of 41.9% that finished well ahead of the Public Equity policy benchmark, which was up 36.0% for the same stretch. Index-Oriented Strategy has also average annualized above 10% for all longer time periods shown; all of which compare favorably to the asset class benchmark while also tracking ahead of its own assigned benchmark measure.

Cap Weighted Public Equity – Traditional Active: With assets invested either directly by external managers or through models provided by external managers, the Traditional Active equity program record solid rate of advance for the fourth straight quarter, but its 6.1% Q2 return exhibited some degree of relative weakness that fell short of both the asset class policy benchmark (by -73 bps) as well as the program's own benchmark measure (by -84 bps). Despite the stumble during the most recent quarter, Traditional Active equity's ability to capture broad equity market's forward momentum while providing additional alpha has worked well in recent years – this program's 46.5% trailing return over the past year was the highest among all Public Equity components and represented significant outperformance; the strong absolute/relative results also helped further preserve the favorable longer-term lead.

Cap Weighted Public Equity – Alternative Beta: As a small member component of Public Equity this internally managed program has performed admirably, and it did so once again in Q2 with a 6.9% return which was just above asset class's average weighted return of 6.8%. But relatively speaking, this program has not kept up with the Alternative Beta Custom Index, including a -28 bps miss this quarter and -202 bps in the second half of 2020, therefore despite its current 1-year return and recent year annualized results have averaged well into the double-digit range, this portfolio has been a net detractor to the Public Equity asset class over most of the longer time periods shown.

Factor Weighted Public Equity: There were no surprises with the Factor Weighted Public Equity portfolio's results in Q2. With the ability to limit downside exposure while still participating on some market upside, this portfolio performed within expectations by producing a return pattern that mirrored those of its cap-weighted counterparts while predictably finishing with modestly milder level of gains amid the ongoing vaccine/policy-supported macro backdrop. This 5.8% Q2 output was on par with the portfolio's own benchmark, but naturally came in shy of the Public Equity Policy Benchmark, which was up 6.8%. Similar level of relative results were observed for the full fiscal year ending June 30, with the Factor Weighted Public Equity portfolio's 22.6% 1-year return matching its own benchmark, but did not keep up with any of the cap-weighted portfolios or the Public Equity Policy Benchmark.

PRIVATE EQUITY PERIOD ENDED JUNE 30, 2021

PRIVATE EQUITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PRIVATE EQUITY	8.3%	8.0%	0.3%
Private Equity	8.3%	8.0%	0.3%

PRIVATE EQUITY SEGMENT PERFORMANCE ⁴

	Asset Value*						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
PRIVATE EQUITY	\$ 38.9	9.7%	43.8%	13.7%	14.2%	12.0%	\$ 15.9	1.7	-0.1
<i>CalPERS Custom Private Equity Benchmark</i>		5.6%	61.1%	14.3%	16.3%	13.4%		1.0	0.0

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

PRIVATE EQUITY PORTFOLIOS PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
<i>Private Equity</i>									
Private Equity Partnership Investments	\$ 38.8	9.7%	43.9%	13.8%	14.3%	12.0%		N/A	N/A
Private Equity Distribution Stock	\$ 0.1	-1.0%	-24.7%	-9.1%	4.0%	-15.5%		N/A	N/A

⁴ Performance of CalPERS' private equity investments is 1-quarter lagged.

INCOME PERIOD ENDED JUNE 30, 2021

INCOME ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
INCOME	29.8%	28.0%	1.8%
Spread	15.1%	15.0%	0.1%
Treasury	11.8%	10.0%	1.8%
High Yield	3.0%	3.0%	0.0%

INCOME SEGMENT PERFORMANCE

	Asset Value* (\$Billion)	Asset Value*					VaR (\$Billion)	5-Year Ratios	
		Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
INCOME	\$ 140.4	3.7%	-0.1%	7.2%	4.4%	5.1%	\$ 12.4	0.6	1.9
<i>Income Policy Benchmark</i>		3.7%	-0.8%	6.8%	3.8%	4.6%		0.5	0.0
Spread	\$ 70.9	2.9%	3.2%	7.1%	-.%	-.%	\$ 5.3	N/A	N/A
<i>BBG Barc Custom Global Long Spread Index</i>		2.8%	2.6%	6.4%	-.%	-.%		N/A	N/A
Treasury**	\$ 48.3	5.2%	-8.5%	6.6%	3.0%	5.0%	\$ 6.4	0.2	0.0
Total Fund Income	\$ 7.1	5.6%	-.%	-.%	-.%	-.%	\$ 0.9	N/A	N/A
<i>CalPERS Custom Treasury Benchmark</i>		5.2%	-8.7%	6.8%	3.0%	5.1%		0.2	0.0
High Yield	\$ 14.2	2.4%	13.7%	6.8%	-.%	-.%	\$ 1.8	N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.4%	13.4%	6.7%	-.%	-.%		N/A	N/A

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

** The CalPERS asset values shown include derivative exposure.

INCOME PORTFOLIOS PERFORMANCE

	Asset Value (\$Billion)	Asset Value*					VaR (\$Billion)	5-Year Ratios	
		Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Spread									
Mortgages	\$ 34.0	0.4%	0.1%	4.2%	2.9%	3.7%		0.8	1.6
<i>CalPERS Custom BBG Barc LPF Mortgage</i>		0.4%	-0.2%	3.9%	2.4%	2.7%		0.6	0.0
Investment Grade Corporate Bonds	\$ 28.8	5.8%	4.7%	10.8%	-.%	-.%		N/A	N/A
<i>CalPERS Corp x Sov x Tobacco Benchmark</i>		5.7%	4.5%	10.0%	-.%	-.%		N/A	N/A
Sovereign Bonds	\$ 3.6	3.9%	2.1%	9.0%	5.2%	6.0%		0.5	1.2
<i>CalPERS Sovereign Benchmark</i>		3.9%	1.7%	8.4%	4.5%	5.5%		0.4	0.0
High Yield (Cash Pay)	\$ 3.8	3.2%	16.8%	7.2%	7.9%	7.1%		0.9	0.6
<i>CalPERS HY Cash Pay Benchmark</i>		2.6%	15.6%	6.7%	7.0%	6.2%		0.8	0.0
Non-Core/Opportunistic	\$ 0.7	1.4%	63.3%	20.9%	-.%	-.%		N/A	N/A
Treasury									
Internal US Treasury/Agency	\$ 35.6	5.6%	-8.9%	6.5%	2.9%	4.9%		0.2	0.0
<i>CalPERS Custom Treasury Benchmark</i>		5.2%	-8.7%	6.8%	3.0%	5.1%		0.2	0.0
High Yield									
BB/B High Yield Fund of Funds	\$ 14.2	2.4%	13.7%	6.8%	-.%	-.%		N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.4%	13.4%	6.7%	-.%	-.%		N/A	N/A

INCOME PERIOD ENDED JUNE 30, 2021

PERFORMANCE NOTES – INCOME

Spread: The CalPERS Spread program's second quarter performance was reflective of the U.S. economy's ongoing recovery, steadily climbing higher by drawing strength from receding long Treasury yields and tighter credit spreads. At 2.9%, this Q2 output did not quite match the Income Policy's 3.7% return, but it did still represent a healthy rate of return that finished ahead of the Spread custom benchmark and was easily above the 1.7% this program was averaging through the past eleven quarters (since inception). The impact of the Spread program's contribution was more obvious over the past year, with a 3.2% return that's much stronger than both the asset class benchmark (by +395 bps) and the program's own benchmark measure (by +61 bps).

Within this program, all components finished the quarter in the positive territory. Gains were led by the \$29 billion Investment Grade Corporate Credit portfolio (+5.8%), while the smaller Sovereign Bonds and High Yield Cash Pay portfolios also did very well (+3.9% and +3.2% respectively). Mortgages, the largest component representing 48% of the Spread assets, was the lone laggard that did not generate any excess return above the Spread benchmark, but it did manage to still hold on to a small gain of 0.4%.

Treasury: The Treasury program finished Q2 atop the fixed income leaderboard, benefiting from the curve-flattening shift as movements of intermediate- and longer-date US Treasury yields took a complete U-turn and steadily trended lower throughout the quarter. Compared to the Income Policy Benchmark's 3.7% pace, this program's 5.2% Q2 advance represented a strong showing that helped lift the Income asset class's overall return (while also comfortably matching the program's own benchmark measure).

Things were less rosy when looking over the past year as a whole, however, as the Treasury program had registered large back-to-back losses in the two previous quarters amid a sharp risk-on rotation that significantly pushed up Treasury yields. With a -8.5% cumulative 12-month return that was pretty far off of the Income policy's -0.8% same-period pace, this program did not provide much boost to the Income asset class for the most recent fiscal year, although it did hold its ground in relative terms by faring better than the Treasury benchmark, which was down -8.7%.

High Yield: With the high yield segment's fundamentals underpinned by good corporate earnings and reopening-fueled positive economic data, credit spreads continued down a modestly tightening path throughout Q2 and provided welcoming tailwind to the CalPERS High Yield program. Built with a high quality focus, this program performed respectably well for the quarter by turning in a 2.4% total return that was in line with its own benchmark measure. Although within the overall Income asset class, this output did rank last, coming in behind both the Spread/Treasury programs as well as the Income Policy Benchmark.

Looking over the trailing 1-year stretch, the High Yield program was actually the strongest performing Income component with a 13.7% cumulative 12-month gain, as it had previously performed very well in the second half of 2020 amid a sharp spread compression. With this figure comparing favorably to the Income Policy Benchmark (-0.8%) as well as the high yield benchmark (13.4%), the High Yield program has demonstrated its ability to provide value-added while serving as a nice complement to the larger Spread and Treasury portfolios.

REAL ASSETS PERIOD ENDED JUNE 30, 2021

REAL ASSETS ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
REAL ASSETS	9.6%	13.0%	-3.4%
Real Estate	8.1%	--	--
Forestland	0.2%	--	--
Infrastructure	1.3%	--	--

REAL ASSETS SEGMENT & PORTFOLIOS PERFORMANCE ⁵

	Asset Value*							VaR	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	(\$Billion)	Sharpe	Info	
REAL ASSETS	\$ 45.3	1.5%	2.6%	3.6%	5.2%	8.1%	\$ 6.5	1.5	0.1	
<i>Real Assets Policy Benchmark</i>		1.9%	1.3%	3.9%	5.1%	8.0%		1.5	0.0	
Real Estate	\$ 38.3	1.6%	1.9%	3.6%	5.0%	8.7%	\$ 5.5	1.4	-0.1	
<i>CalPERS Custom Real Estate Benchmark</i>		1.9%	1.3%	3.9%	5.2%	8.6%		1.5	0.0	
Infrastructure	\$ 6.1	1.4%	7.2%	6.0%	9.6%	10.6%	\$ 0.9	1.3	0.7	
<i>CalPERS Custom Infrastructure Benchmark</i>		1.9%	1.3%	3.9%	4.9%	5.1%		1.8	0.0	
Forestland	\$ 0.8	-1.6%	1.4%	-3.3%	-1.4%	-2.0%	\$ 0.1	-0.4	-0.8	
<i>CalPERS Custom Forestland Benchmark</i>		1.9%	1.3%	3.9%	3.8%	5.2%		1.2	0.0	

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

PERFORMANCE NOTES – REAL ASSETS

Real Estate: Currently representing 85% of the Real Assets asset class, the Real Estate program has seen its return pattern starting to normalize in 2021. With the overall real estate market benefitting from improving sentiment and economic conditions, this program delivered a 1.6% return in Q2 and finished the most recent fiscal year up 1.9%. The quarterly figure was a couple steps short of the asset class policy benchmark, but the 1-year number was cast in a much better light as it represented a +62 bps outperformance, while allowing Real Estate to continue holding a steady long-term track record that contributes to Real Assets' success.

Infrastructure: Performance of the Infrastructure portfolio was similar to Real Estate during Q2, with a modest-sized gain of 1.4% that trailed the Real Assets Policy Benchmark. But thanks to a particularly strong first quarter that coincided with many major economic reopenings and a rally in oil prices, Infrastructure currently stands on a 7.2% 1-year total return that was a significant boost to Real Assets. Over longer time periods this portfolio also remains Real Assets' best performing component.

Forestland: Q2 result of Real Assets' smallest component was soft, falling -1.6% and marred an otherwise solid stretch of post-COVID selloff rebound, resulting in a 1-year total return of 1.4%. Both return figures ranked last among Real Assets' three components, and coupled with drag from the sale of a legacy timber investment that represented a markdown of portfolio value at the beginning of Q3 2018, this continued to weigh down Forestland's longer-term track record, underperforming against the Real Assets Policy Benchmark.

⁵ Performance of CalPERS' Real Assets investments is reported on a 1-quarter lagged basis.

LIQUIDITY

PERIOD ENDED JUNE 30, 2021

LIQUIDITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LIQUIDITY (+ FINANCING)	-1.6%	1.0%	-2.6%
LIQUIDITY - Internal Short Term Portfolio	1.0%	1.0%	0.0%
Trust Level Financing	-2.7%	0.0%	-2.7%

LIQUIDITY SEGMENT & PORTFOLIO PERFORMANCE

	Asset Value*							VaR	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	(\$Billion)	Sharpe	Info	
LIQUIDITY	\$ 4.8	0.0%	0.1%	1.4%	1.4%	1.2%	\$ (0.0)	0.6	3.9	
<i>Liquidity Policy Benchmark</i>		0.0%	0.1%	1.2%	1.1%	1.3%		-0.5	0.0	
Internal Short Term Cash Portfolio	\$ 4.8	0.0%	0.1%	1.5%	1.4%	0.8%	\$ (0.0)	0.6	3.9	
<i>CalPERS Short Term Benchmark</i>		0.0%	0.1%	1.2%	1.1%	0.6%		-0.5	0.0	
Trust Level Financing	\$ (12.6)	0.1%	-.%	-.%	-.%	-.%		N/A	N/A	

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

LLER

PERIOD ENDED JUNE 30, 2021

LIQUIDITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class/Program	Actual Asset Allocation	Target Asset Allocation	Difference
LLER	2.0%	0.0%	2.0%

LLER SEGMENT & PORTFOLIO PERFORMANCE

	Asset Value*							VaR	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	(\$Billion)	Sharpe	Info	
LLER	\$ 9.5	0.5%	4.0%	2.8%	3.0%	-.%	\$ 0.3	0.7	0.8	
<i>LIBOR 1 Month Rate</i>		0.0%	0.1%	0.9%	0.9%	-.%		-1.6	0.0	
Enhanced Return	\$ 8.0	0.4%	4.0%	2.9%	3.0%	-.%		N/A	N/A	
Direct Lending Financing	\$ 1.3	0.8%	4.4%	2.7%	-.%	-.%		N/A	N/A	
Senior Lending in Private Cre Debt	\$ 0.2	0.7%	2.4%	-.%	-.%	-.%		N/A	N/A	
<i>LIBOR 1 Month + 20 Basis Points</i>		0.1%	0.3%	1.1%	1.1%	-.%		N/A	N/A	
Federated Trade Finance	\$ 0.0	NM	NM	-.%	-.%	-.%		N/A	N/A	
<i>LIBOR 3 Month + 150 Basis Points</i>		0.4%	1.7%	-.%	-.%	-.%		N/A	N/A	
Asset Based Lending	\$ 0.0	NM	NM	-.%	-.%	-.%		N/A	N/A	
<i>LIBOR 1 Month Rate</i>		0.0%	0.1%	-.%	-.%	-.%		N/A	N/A	

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

OPPORTUNISTIC STRATEGIES PERIOD ENDED JUNE 30, 2021

OPPORTUNISTIC STRATEGIES ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class/Program	Actual Asset Allocation	Target Asset Allocation	Difference
OPPORTUNISTIC STRATEGIES	0.4%	0.0%	0.4%

OPPORTUNISTIC STRATEGIES SEGMENT & PORTFOLIOS PERFORMANCE

	Asset Value*		Performance					VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	Sharpe		Info	
OPPORTUNISTIC STRATEGIES	\$ 2.1	7.2%	13.1%	--%	--%	--%	\$ 0.1	N/A	N/A	
<i>Custom Opportunistic Strategies Benchmark</i>		1.7%	7.0%	--%	--%	--%		N/A	N/A	
CaIPERS PIMCO DISCO III	\$ 0.2	4.7%	21.7%	--%	--%	--%		N/A	N/A	
Sixth St Partners-Fundamental Strategy	\$ 0.0	12.1%	--%	--%	--%	--%		N/A	N/A	
Sixth St Partners-TAO	\$ 0.3	5.3%	--%	--%	--%	--%		N/A	N/A	
Sixth St Partners Co-Invest	\$ 0.1	0.0%	--%	--%	--%	--%		N/A	N/A	
Oaktree Strategic Lending	\$ 0.2	1.8%	5.4%	--%	--%	--%		N/A	N/A	
Antares Credit Opportunities LLC	\$ 0.2	0.4%	--%	--%	--%	--%		N/A	N/A	
West Street Strategic Solution Fund	\$ 0.4	20.8%	--%	--%	--%	--%		N/A	N/A	
West Street Co-Invest II	\$ 0.1	26.6%	--%	--%	--%	--%		N/A	N/A	
Blackstone RE Debt Stat IV-Parallel	\$ 0.2	1.9%	--%	--%	--%	--%		N/A	N/A	
West Street Co-Invest, L.P.	\$ 0.1	23.7%	--%	--%	--%	--%		N/A	N/A	
ARES Capital Europe V	\$ 0.1	--%	--%	--%	--%	--%		N/A	N/A	
ARES Capital Europe V Co-Invest	\$ 0.0	0.0%	--%	--%	--%	--%		N/A	N/A	
OHA Credit Opportunities CA (C), L.P.	\$ 0.2	--%	--%	--%	--%	--%		N/A	N/A	
<i>SSA Custom Absolute 7%</i>		1.7%	7.0%	--%	--%	--%		N/A	N/A	

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

OTHER PERIOD ENDED JUNE 30, 2021

OTHER ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
OTHER	0.0%	0.0%	0.0%
Absolute Return Strategies	0.0%	--	--
Other Plan Level - Fixed Income	0.0%	--	--

OTHER SEGMENT & PORTFOLIO PERFORMANCE

	Asset Value*						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
OTHER	\$ 0.2	NM	NM	NM	NM	NM	\$ -	N/A	N/A
Absolute Return Strategies	\$ 0.2	-2.0%	3.6%	10.6%	4.9%	4.2%		0.2	-0.1
<i>Total ARS Program Blended Benchmark</i>		1.3%	5.2%	7.1%	6.5%	5.9%		9.0	0.0

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.

SECURITIES LENDING PERIOD ENDED JUNE 30, 2021

SEC LENDING SEGMENT & PORTFOLIOS PERFORMANCE

	Asset Value*						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Sec Lending Composite	\$ 4.8	0.0%	0.1%	1.4%	1.2%	0.9%		N/A	N/A
Internal Sec Lending Portfolio	\$ 4.4	0.0%	0.1%	1.5%	1.4%	0.8%		N/A	N/A
<i>CalPERS GSTIF</i>		0.0%	0.1%	1.4%	1.3%	0.7%		N/A	N/A

* Asset values shown may reflect the first day of the following month when rebalancing and/or large cash flows occur on the last day of the quarter.



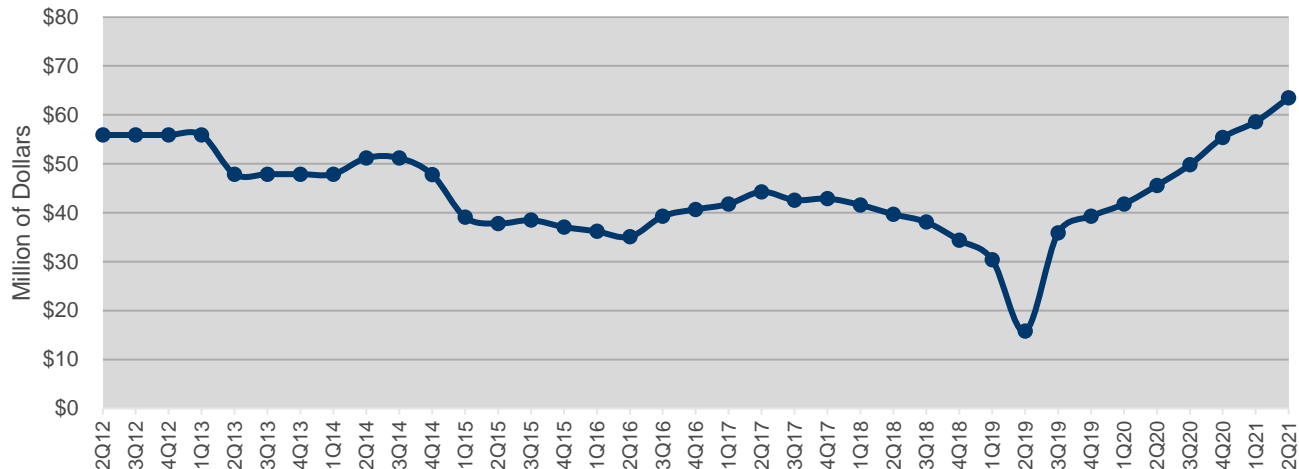
AFFILIATE FUND INFORMATION

JUDGES RETIREMENT SYSTEM I FUND



JUDGES I PERFORMANCE PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS – JUDGES I ⁶

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Judges Retirement I Fund	\$ 63.5	0.0%	0.1%	1.4%	1.3%	0.7%
<i>91-Day Treasury Bill</i>		<i>0.0%</i>	<i>0.1%</i>	<i>1.3%</i>	<i>1.2%</i>	<i>0.6%</i>
Judges I Programs:						
Judges I Internal Short-Term	\$ 63.5	0.0%	0.1%	1.4%	1.3%	0.7%
<i>91-Day Treasury Bill</i>		<i>0.0%</i>	<i>0.1%</i>	<i>1.3%</i>	<i>1.2%</i>	<i>0.6%</i>

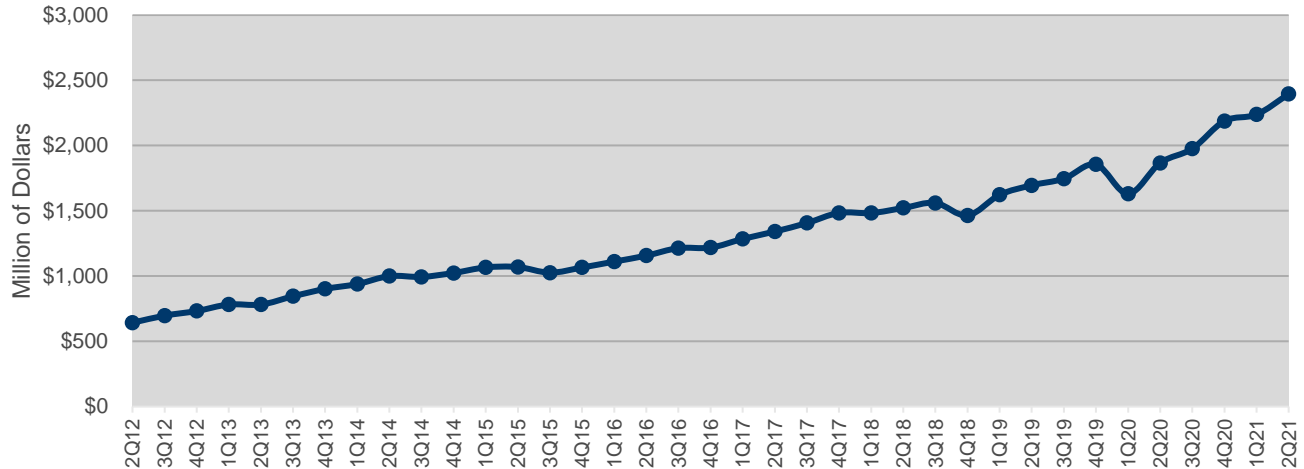
⁶ JRS I maintains a reserve balance of approximately two months of benefit payments. Prior to 2009-2010 fiscal year, the fund held approximately one month of benefit reserve with the majority of funds held at the State Treasurer's Office.



JUDGES RETIREMENT SYSTEM II FUND

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS – JUDGES II ⁷

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Judges Retirement II Fund	\$ 2,394.7	6.4%	24.4%	11.6%	10.3%	8.5%
<i>Weighted Policy Benchmark</i>		6.3%	24.2%	11.2%	10.0%	8.3%
Judges II Programs:						
JRS II Global Equity	\$ 1,242.8	7.3%	41.4%	14.7%	15.2%	10.6%
<i>Global Equity Benchmark</i>		7.2%	40.9%	14.2%	14.9%	10.4%
JRS II US Fixed Income	\$ 768.6	3.8%	-2.0%	6.9%	4.2%	5.4%
<i>Custom Benchmark</i>		3.7%	-2.0%	6.9%	3.8%	4.9%
JRS II TIPS	\$ 120.1	3.2%	6.5%	6.5%	4.2%	--%
<i>Bloomberg Barclays U.S. TIPS Index</i>		3.2%	6.5%	6.5%	4.2%	--%
JRS II REITs	\$ 190.2	9.3%	34.8%	7.5%	6.1%	7.3%
<i>Custom Benchmark</i>		9.2%	33.6%	6.5%	5.5%	7.0%
JRS II Commodities	\$ 72.9	15.7%	57.3%	-2.6%	1.9%	--%
<i>GSCI Total Return</i>		15.7%	57.4%	-2.7%	1.7%	--%
JRS II Cash/Short-Term	\$ 0.03	NM	NM	NM	NM	NM
<i>91-Day T-Bill</i>		0.0%	0.1%	1.3%	1.2%	0.6%

⁷ JRS II weighted policy benchmark is calculated based on asset class index returns weighted at their respective asset class policy targets.

JRS II Global Equity Benchmark is MSCI ACWI IMI Net starting 6/07/2018. Between 6/06/2018 and 9/08/2011 the custom benchmark was run by FTSE. Prior of that it was calculated as an asset weighted benchmark of its underlying domestic and international funds.

Current US Fixed Income Custom Benchmark is the Bloomberg Barclays Long Liability Index. Barclays Long Liability ex TIPS was used as the benchmark between June 2005 and May 2007. Prior of that the benchmark was Citigroup LPF.

The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Between 3/26/2020 and 6/07/2018 it was FTSE EPRA/NAREIT Developed Liquid (Net) Index. Between 6/06/2018 and 9/08/2011 the it was FTSE EPRA/NAREIT Developed (TR) Index. Prior of that it was the Wilshire RESI and REIT Indices.

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2021

JUDGES II ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
JUDGES II TOTAL FUND	100.0%	100.0%	0.0%
Global Equity	51.9%	52.0%	-0.1%
US Fixed Income	32.1%	32.0%	0.1%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	3.0%	3.0%	0.0%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES – JUDGES II

Assisted by accelerated vaccine rollout across many parts of the world, global economic recovery sailed ahead in Q2 of 2021 as many of the restrictive policies that were put in place during the height of the pandemic are rolled back and economies reopen. Tempering some of the enthusiasm was growing inflation fears, as emerging supply chain constraints and labor shortages have resulted sharp increases in a broad range of input costs, particularly in the U.S., which is leading the recovery charge. But amid the ongoing accommodative policy stance and positive economic momentum most asset classes did still post solid gains for the quarter. With this backdrop the Judges II (“JRS II, the Plan”) also closed out Q2 firmly on a positive note, generating a 6.4% total return that in turn pushed its full fiscal year result to 24.4%; both figures were comfortably ahead of the Plan’s weighted policy benchmark, by +6 bps and +28 bps respectively. There are also no concerns with JRS II’s performance over longer-term horizon, as its 11.6% 3-year gain and all other annualized returns shown continue to fare well against the weighted policy benchmark.

The global equity fund continued its upward trajectory in the second quarter, riding on the positive vaccine and reopening momentum that broadly lifted equity prices across developed and emerging markets to finish Q2 with three straight monthly gains. With a total return of 7.3%, this fund easily finished ahead of the custom benchmark’s 7.2% rate for the quarter while pushing its trailing 1-year return to 41.4% that also represented a healthy level of relative success. Aside from the impressive advances the global equity fund has enjoyed in the past year, it has historically done well for JRS II by maintaining a solid longer-term track record, where it continues to perform in line with expectations while pacing ahead of the market.

The U.S. fixed income fund, which previously experienced sharp pullback (of -6.9%) amid a quick rise in Treasury yields during the first quarter, saw its performance stabilize in Q2. With the growing likelihood of the Fed pulling forward its tightening timeline sparked a retrace of UST yields, this easing indicator helped provide support that allowed this bond fund to rebound 3.8% this quarter. While this solid output clawed back some of prior quarter’s losses, it was not enough to fully offset the negative impact on the trailing 1-year stretch where the fund return remains in the red at -2.0%. Both the quarter and 1-year figures came in closely in line with the fund benchmark, and allowed the fund to hold on to its longer-term edge in relative terms.

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2021

PERFORMANCE NOTES – JUDGES II (CONTINUED)

TIPS was the lowest returning Judges II asset class this quarter, but it nevertheless finished firmly in the black with a 3.2% total return amid a positive backdrop where TIPS breakeven rate (measured against nominal Treasury yield) continued to rise following markedly improved macroeconomic condition expectations. While the rate of gains was modest, JRS II TIPS's Q2 output was right on par with the Bloomberg Barclays U.S. TIPS Index, and this portfolio has consistently done so for most measured periods since inception; it currently holds a benchmark-tying three-year return of 6.5% and a five-year return of 4.2%.

Public real estate securities enjoyed a strong second quarter as this segment of the market continued its resurgence, benefiting from rapid economic reopening/recovery that is fueled by government stimulus and vaccine rollout. The JRS II REIT portfolio result was reflective of this uplifting trend, returning 9.3% that was +15 bps ahead of the REIT custom benchmark. This welcoming output also marked the second consecutive quarter where the REIT portfolio's robust return actually finished ahead of the global equity fund, and pushed its 1-year total return to 34.8%. Looking past some of the extreme highs and lows since the onset of the global pandemic, this 16-year old portfolio's longer-term track record has remained on solid footing, where it has average annualized above 6% over the 3-, 5-, and 10-year marks while consistently pacing ahead of the custom benchmark.

The commodities segment has been red hot ever since coming out of last year's drawdown, as it greatly benefited from a historically low global interest rate environment and exposure to the cyclical recovery; this theme largely carried into the second quarter of 2021 little changed. While some of the commodity prices peaked in May (i.e. lumber and copper), the overall positive momentum still carried the JRS II commodities portfolio to three straight monthly gains, finishing the quarter with a plan-leading 15.7% return. Having now stretched its record of double-digit quarterly return into three, the commodities portfolio also holds an eye-popping 57.3% trailing 1-year return that led all other JRS II investment programs; both the quarter and 1-year figures mirrored the pace of the GSCI Total Return Index. Despite the impressive recent-quarter gains, this portfolio's near- and medium-term track record continues to feel the drag from the negative impact of Q1 2020's massive -42.4% loss and remains subdued (-2.6% at the 3-year mark and 1.9% at the 5-year mark), but they too were largely in line with benchmark-level performance.

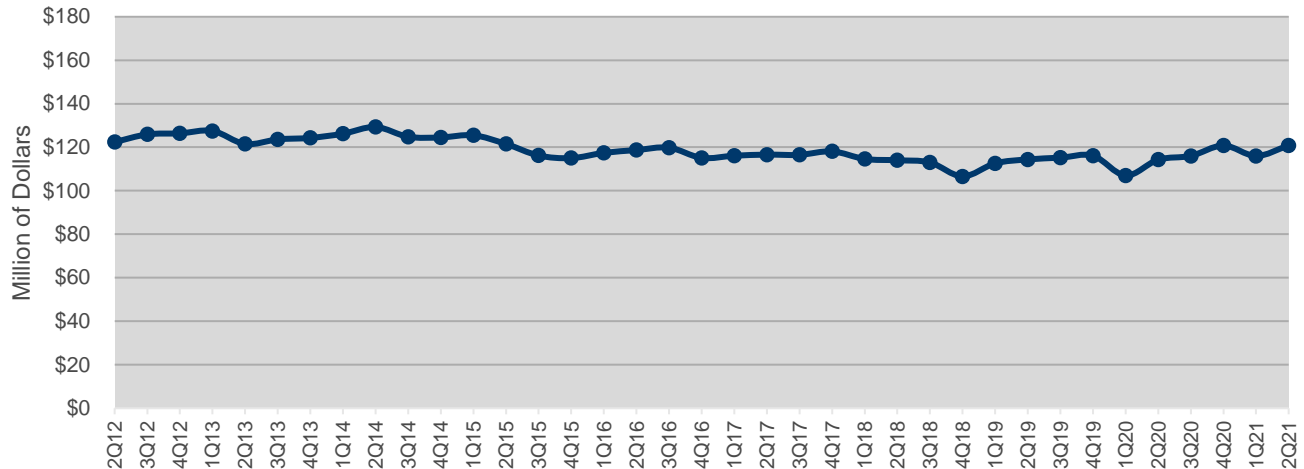
At the end of Q2, Judges II's asset allocation across all major asset classes were closely tracking their policy targets, with very little deviation.



LEGISLATORS' RETIREMENT SYSTEM FUND

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS – LEGISLATORS' ⁸

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Legislators' Retirement System Fund	\$ 122.2	5.5%	13.6%	9.0%	7.2%	6.5%
<i>Weighted Policy Benchmark</i>		5.5%	13.4%	8.8%	7.0%	6.3%
LRS Programs:						
LRS Global Equity	\$ 26.8	7.3%	41.3%	14.7%	15.2%	10.6%
<i>Global Equity Benchmark</i>		7.2%	40.9%	14.2%	14.9%	10.5%
LRS US Fixed Income	\$ 60.0	3.8%	-2.0%	6.9%	4.2%	5.4%
<i>Custom Benchmark</i>		3.7%	-2.0%	6.9%	3.8%	4.9%
LRS TIPS	\$ 19.6	3.2%	6.5%	6.6%	4.2%	3.4%
<i>Custom Benchmark</i>		3.2%	6.5%	6.5%	4.2%	3.4%
LRS REITs	\$ 9.7	9.3%	34.7%	7.5%	6.0%	-.%
<i>Custom Benchmark</i>		9.2%	33.6%	6.5%	5.5%	-.%
LRS Commodities	\$ 6.2	15.7%	57.3%	-2.2%	2.1%	-.%
<i>GSCI Total Return</i>		15.7%	57.4%	-2.7%	1.7%	-.%
LRS Cash/Short-Term	\$ 0.0	NM	NM	NM	NM	NM
<i>91-Day T-Bill</i>		0.0%	0.1%	1.3%	1.2%	0.6%

⁸ LRS weighted policy benchmark is calculated based on asset class index returns weighted at their respective asset class policy targets.

LRS Global Equity Benchmark is MSCI ACWI IMI Net starting 6/07/2018. Between 6/06/2018 and 9/08/2011 the custom benchmark was run by FTSE. Prior of that it was calculated as an asset weighted benchmark of its underlying domestic and international funds.

Current US Fixed Income Custom Benchmark is the Bloomberg Barclays Long Liability Index. Barclays Long Liability ex TIPS was used as the benchmark between June 2005 and May 2007. Prior of that the benchmark was Citigroup LPF.

TIPS Benchmark is currently the Bloomberg Barclays U.S. TIPS Index. Prior of July 2017 it was the Barclays Long Liability TIPS Index.

The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Between 3/26/2020 and 6/07/2018 it was FTSE EPRA/NAREIT Developed Liquid (Net) Index. Between 6/06/2018 and 9/08/2011 the benchmark was FTSE EPRA/NAREIT Developed (TR) Index. Prior of that it was the Wilshire RESI and REIT Indices.

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2021

LEGISLATORS' ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LEGISLATORS' RETIREMENT SYSTEM FUND	100.0%	100.0%	0.0%
Global Equity	21.9%	22.0%	-0.1%
US Fixed Income	49.1%	49.0%	0.1%
TIPS	16.0%	16.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	5.1%	5.0%	0.1%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES – LEGISLATORS'

Under a more conservative profile targeting 35% growth / 65% income asset allocation split, the California Legislators' Retirement System ("LRS, the System") unsurprisingly saw a slightly softer total return than JRS II in the 2nd quarter of 2021. But with all three of its growth asset class portfolios seeing robust gains during Q2's largely unabated risk-on trading environment and provided lift, the System's total return for this period still showed very well, coming in at 5.5% that was on par with its weighted policy benchmark. The recent rebound in asset valuations have translated well into the overall track record as well: for the full fiscal year, LRS reached a total return of 13.6%, which in turn boosted its 3- and 5-year annualized returns to the above-7% range. All of these rate of returns mildly outpaced the weighted policy benchmark.

The global equity fund continued its upward trajectory in the second quarter, riding on the positive vaccine and reopening momentum that broadly lifted equity prices across developed and emerging markets to finish Q2 with three straight monthly gains. With a total return of 7.3%, this fund easily finished ahead of the custom benchmark's 7.2% rate for the quarter while pushing its trailing 1-year return to 41.3% that also represented a healthy level of relative success. Aside from the impressive advances the global equity fund has enjoyed in the past year, it has historically done well for LRS by maintaining a solid longer-term track record, where it continues to perform in line with expectations while pacing ahead of the market.

The U.S. fixed income fund, which previously experienced sharp pullback (of -6.9%) amid a quick rise in Treasury yields during the first quarter, saw its performance stabilize in Q2. With the growing likelihood of the Fed pulling forward its tightening timeline sparked a retrace of UST yields, this easing indicator helped provide support that allowed this bond fund to rebound 3.8% this quarter. While this solid output clawed back some of prior quarter's losses, it was not enough to fully offset the negative impact on the trailing 1-year stretch where the fund return remains in the red at -2.0%. Both the quarter and 1-year figures came in closely in line with the fund benchmark, and allowed the fund to hold on to its longer-term edge in relative terms.

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2021

PERFORMANCE NOTES – LEGISLATORS' (CONTINUED)

TIPS was the lowest returning LRS asset class this quarter, but it nevertheless finished firmly in the black with a 3.2% total return amid a positive backdrop where TIPS breakeven rate (measured against nominal Treasury yield) continued to rise following markedly improved macroeconomic condition expectations. While the rate of gains was modest, LRS TIPS's Q2 output was right on par with the Bloomberg Barclays U.S. TIPS Index, and this portfolio has consistently done so for most measured periods since inception; it currently holds a three-year return of 6.6%, a five-year return of 4.2%, and a ten-year return of 3.4% that are all in line with the benchmark.

Public real estate securities enjoyed a strong second quarter as this segment of the market continued its resurgence, benefiting from rapid economic reopening/recovery that is fueled by government stimulus and vaccine rollout. The LRS REIT portfolio result was reflective of this uplifting trend, returning 9.3% that was +15 bps ahead of the REIT custom benchmark. This welcoming output also marked the second consecutive quarter where the REIT portfolio's robust return actually finished ahead of the global equity fund, and pushed its 1-year total return to 34.7%. Looking past some of the extreme highs and lows since the onset of the global pandemic, this 9-year old portfolio's longer-term track record has remained on solid footing, where it has average annualized above 6% over the 3- and 5-year marks while consistently pacing ahead of the custom benchmark.

The commodities segment has been red hot ever since coming out of last year's drawdown, as it greatly benefited from a historically low global interest rate environment and exposure to the cyclical recovery; this theme largely carried into the second quarter of 2021 little changed. While some of the commodity prices peaked in May (i.e. lumber and copper), the overall positive momentum still carried the System's commodities portfolio to three straight monthly gains, finishing the quarter with a plan-leading 15.7% return. Having now stretched its record of double-digit quarterly return into three, the commodities portfolio also holds an eye-popping 57.3% trailing 1-year return that led all other LRS investment programs; both the quarter and 1-year figures mirrored the pace of the GSCI Total Return Index. Despite the impressive recent-quarter gains, this portfolio's near- and medium-term track record continues to feel the drag from the negative impact of Q1 2020's massive -42.4% loss and remains subdued (-2.2% at the 3-year mark and 2.1% at the 5-year mark), but they too fare well in relative terms and compare better against the assigned benchmark. .

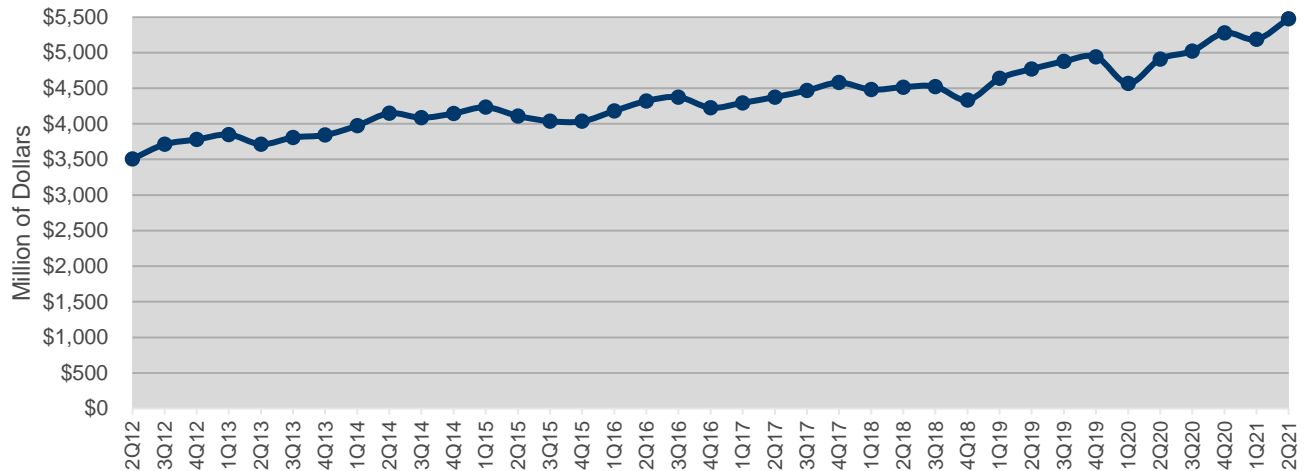
At the end of Q2, the System's asset allocation across all major asset classes were closely tracking their policy targets, with very little deviation.



LONG-TERM CARE FUND

LONG-TERM CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS – LONG-TERM CARE FUND ⁹

	Asset Value		Quarter	1-Year	3-Year	5-Year	10-Year
		(\$Million)					
Long-Term Care Fund	\$	5,476.4	6.0%	13.0%	8.2%	6.0%	5.2%
<i>Weighted Policy Benchmark</i>			5.8%	12.3%	8.2%	6.0%	5.1%
LTC Programs:							
LTC Global Equity	\$	961.0	7.2%	41.2%	14.5%	14.9%	10.5%
<i>Custom Benchmark</i>			7.2%	40.9%	14.2%	14.5%	10.3%
LTC US Fixed Income	\$	3,145.2	3.8%	-2.0%	6.9%	3.9%	4.9%
<i>Custom Benchmark</i>			3.7%	-2.0%	6.9%	3.8%	4.9%
LTC TIPS	\$	302.5	3.2%	6.5%	6.5%	4.2%	3.4%
<i>Bloomberg Barc. US TIPS Index</i>			3.2%	6.5%	6.5%	4.2%	3.4%
LTC REITs	\$	581.6	9.3%	34.6%	7.5%	5.7%	6.9%
<i>Custom Benchmark</i>			9.2%	33.6%	6.5%	4.8%	6.2%
LTC Commodities	\$	486.0	15.7%	57.2%	-2.7%	1.7%	--%
<i>GSCI Total Return</i>			15.7%	57.4%	-2.7%	1.7%	--%
LTC Cash/Short-Term	\$	0.1	NM	NM	NM	NM	NM
<i>91-Day T-Bill</i>			0.0%	0.1%	1.3%	1.2%	0.6%

⁹ LTC weighted policy benchmark is calculated based on asset class index returns weighted at their respective asset class policy targets.

LTC Global Equity Benchmark is MSCI ACWI IMI Net starting 12/12/2012. Prior of that it was calculated as an asset weighted benchmark of its underlying domestic and international funds.

Current US Fixed Income Custom Benchmark is the Bloomberg Barclays Long Liability Index. Barclays Long Liability ex TIPS ex High Yield was the benchmark between June 2007 and July 2005. Prior of that the benchmark was Barclays Aggregate Bond Index.

The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Between 3/26/2020 and 12/12/2012 it was FTSE EPRA/NAREIT Developed Liquid (Net) Index.

LONG-TERM CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2021

LONG-TERM CARE FUND ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LONG-TERM CARE TOTAL FUND	100.0%	100.0%	0.0%
Global Equity	17.5%	15.0%	2.5%
US Fixed Income	57.4%	60.0%	-2.6%
TIPS	5.5%	6.0%	-0.5%
REITs	10.6%	11.0%	-0.4%
Commodities	8.9%	8.0%	0.9%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES – LONG-TERM CARE FUND

Among the three major Affiliates programs, the Long-Term Care Fund (“LTC, the Fund”) has the smallest exposure to global equities, currently at 17.5% (with a 15% target). This typically translates into the lowest total plan-level return, but Q2 was an exception. The Fund also has the largest allocation to REITs and commodities, both of which were direct beneficiaries of the unique reopening trade and rallied to finish above global equities. With sizable contribution from these two strong performing segments, LTC saw a 6.0% total return that also represented a +20 bps outperformance. Over longer time horizon, the LTC has done relatively well as its track record currently sits comfortably near the policy benchmark over time periods 3-year and beyond.

The global equity fund continued its upward trajectory in the second quarter, riding on the positive vaccine and reopening momentum that broadly lifted equity prices across developed and emerging markets to finish Q2 with three straight monthly gains. With a total return of 7.2%, this fund easily finished +5 bps ahead the custom benchmark for the quarter while pushing its trailing 1-year return to 41.2% that also represented a healthy level of relative success. Aside from the impressive advances the global equity fund has enjoyed in the past year, it has historically done well for LTC by maintaining a solid longer-term track record, where it continues to perform in line with expectations while pacing ahead of the market.

The U.S. fixed income fund, which previously experienced sharp pullback (of -6.9%) amid a quick rise in Treasury yields during the first quarter, saw its performance stabilize in Q2. With the growing likelihood of the Fed pulling forward its tightening timeline sparked a retrace of UST yields, this easing indicator helped provide support that allowed this bond fund to rebound 3.8% this quarter. While this solid output clawed back some of prior quarter’s losses, it was not enough to fully offset the negative impact on the trailing 1-year stretch where the fund return remains in the red at -2.0%. Both the quarter and 1-year figures came in closely in line with the fund benchmark, and allowed the fund to hold on to its longer-term edge in relative terms.

LONG-TERM CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2021

PERFORMANCE NOTES – LONG-TERM CARE FUND (CONTINUED)

TIPS was the lowest returning LTC asset class this quarter, but it nevertheless finished firmly in the black with a 3.2% total return amid a positive backdrop where TIPS breakeven rate (measured against nominal Treasury yield) continued to rise following markedly improved macroeconomic condition expectations. While the rate of gains was modest, LTC TIPS's Q2 output was right on par with the Bloomberg Barclays U.S. TIPS Index, and this portfolio has consistently done so for most measured periods since inception; it currently holds a benchmark-tying three-year return of 6.5% and a five-year return of 4.2%.

Public real estate securities enjoyed a strong second quarter as this segment of the market continued its resurgence, benefiting from rapid economic reopening/recovery that is fueled by government stimulus and vaccine rollout. The LTC REIT portfolio result was reflective of this uplifting trend, returning 9.3% that was +16 bps ahead of the REIT custom benchmark. This welcoming output also marked the second consecutive quarter where the REIT portfolio's robust return actually finished ahead of the global equity fund, and pushed its 1-year total return to 34.6%. Looking past some of the extreme highs and lows since the onset of the global pandemic, this 16-year old portfolio's longer-term track record has remained on solid footing, where it has average annualized above 5% over the 3-, 5-, and 10-year marks while consistently pacing ahead of the custom benchmark.

The commodities segment has been red hot ever since coming out of last year's drawdown, as it greatly benefited from a historically low global interest rate environment and exposure to the cyclical recovery; this theme largely carried into the second quarter of 2021 little changed. While some of the commodity prices peaked in May (i.e. lumber and copper), the overall positive momentum still carried the LTC commodities portfolio to three straight monthly gains, finishing the quarter with a plan-leading 15.7% return. Having now stretched its record of double-digit quarterly return into three, the commodities portfolio also holds an eye-popping 57.2% trailing 1-year return that led all other LTC investment programs; both the quarter and 1-year figures mirrored the pace of the GSCI Total Return Index. Despite the impressive recent-quarter gains, this portfolio's near- and medium-term track record continues to feel the drag from the negative impact of Q1 2020's massive -42.4% loss and remains subdued (-2.7% at the 3-year mark and 1.7% at the 5-year mark), but they too were largely in line with benchmark-level performance.

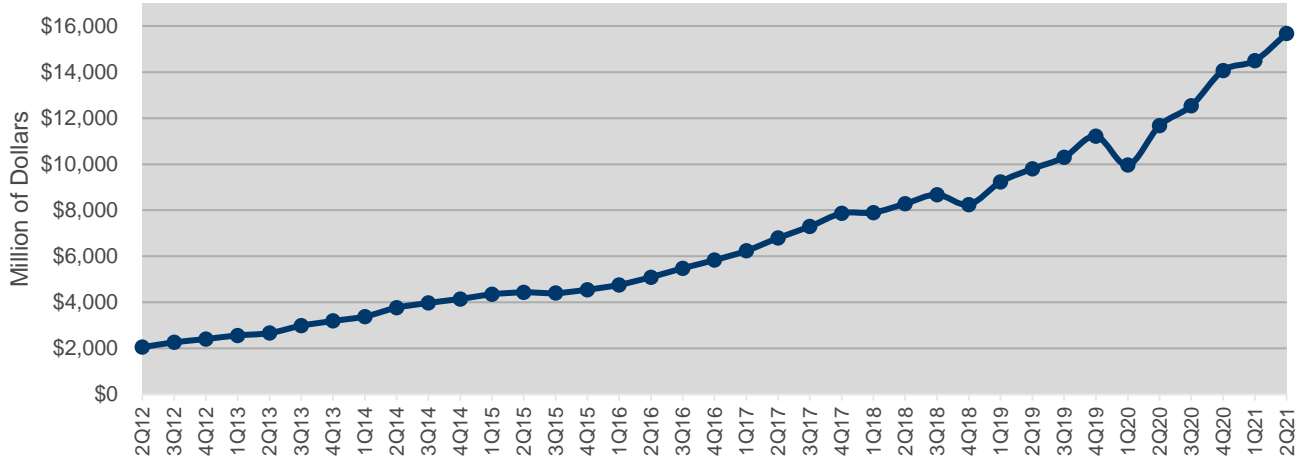
At the end of Q2, the LTC's asset allocation showed modest overweight in global equity and commodities, with underweight in U.S. fixed income, TIPS and REITs.

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST



CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST AGGREGATE PERIOD ENDED JUNE 30, 2021

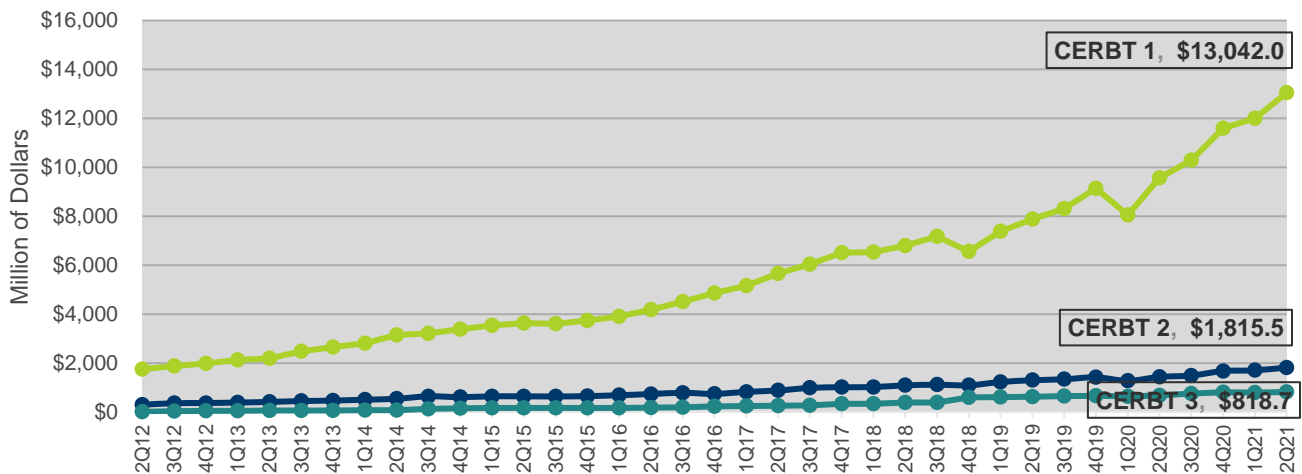
GROWTH IN ASSETS – CERBT AGGREGATE



NET OF FEE PLAN PERFORMANCE RESULTS – CERBT AGGREGATE

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Aggregate	\$ 15,676.2	6.5%	25.7%	11.6%	10.4%	8.1%
<i>CERBT Trust Aggregate Benchmark</i>		6.4%	25.5%	11.3%	10.1%	7.9%

GROWTH IN ASSETS – CERBT 1, 2, 3



CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 1

PERIOD ENDED JUNE 30, 2021

CERBT 1 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 1	100.0%	100.0%	0.0%
Global Equity	58.8%	59.0%	-0.2%
US Fixed Income	25.0%	25.0%	0.0%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	3.0%	3.0%	0.0%
Cash/Short-Term	0.2%	0.0%	0.2%

NET OF FEE PLAN PERFORMANCE RESULTS – CERBT 1 ¹⁰

	Asset Value (\$Million)	Performance				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 1	\$ 13,042.0	6.6%	27.5%	11.9%	10.8%	8.4%
<i>Total CERBT Strategy 1 Benchmark</i>		6.5%	27.3%	11.7%	10.5%	8.1%
CERBT 1 Programs:						
Global Equity	\$ 7,673.8	7.2%	41.2%	14.6%	14.9%	10.5%
<i>CERBT Global Equity Benchmark</i>		7.2%	40.9%	14.2%	14.5%	10.2%
Domestic Fixed Income	\$ 3,266.8	3.8%	-2.0%	6.9%	4.2%	5.4%
<i>CalPERS Custom Long Liability</i>		3.7%	-2.0%	6.9%	3.8%	4.9%
TIPS	\$ 652.1	3.2%	6.5%	6.5%	4.2%	-.%
<i>CalPERS TIPS</i>		3.2%	6.5%	6.5%	4.2%	-.%
REITs	\$ 1,032.5	9.3%	34.8%	7.6%	5.7%	6.9%
<i>Custom Benchmark</i>		9.2%	33.6%	6.5%	4.8%	6.2%
Commodities	\$ 394.5	15.7%	57.3%	-2.6%	1.9%	-.%
<i>GSCI Total Return</i>		15.7%	57.4%	-2.7%	1.7%	-.%
Cash/Short-Term	\$ 22.5	NM	NM	NM	NM	NM
<i>91-Day T-Bill</i>		0.0%	0.1%	1.3%	1.2%	0.6%

¹⁰ CERBT Strategy 1 cash balances are inclusive of employer fund contributions that are in the process of being invested into asset classes. These contributions may occur daily, and tend to be higher at the end of each quarter.

The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Prior to that it was the FTSE EPRA/NAREIT Developed Liquid (Net) Index.

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 2 PERIOD ENDED JUNE 30, 2021

CERBT 2 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 2	100.0%	100.0%	0.0%
Global Equity	39.8%	40.0%	-0.2%
US Fixed Income	43.0%	43.0%	0.0%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	4.0%	4.0%	0.0%
Cash/Short-Term	0.2%	0.0%	0.2%

NET OF FEE PLAN PERFORMANCE RESULTS – CERBT 2 ¹¹

	Asset Value (\$Million)	Performance				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 2	\$ 1,815.5	6.0%	19.7%	10.5%	9.0%	--%
<i>Total CERBT Strategy 2 Benchmark</i>		6.0%	19.5%	10.3%	8.7%	--%
CERBT 2 Programs:						
Global Equity	\$ 723.4	7.2%	41.2%	14.5%	14.9%	--%
<i>CERBT Global Equity Benchmark</i>		7.2%	40.9%	14.2%	14.5%	--%
Domestic Fixed Income	\$ 781.4	3.8%	-2.0%	6.9%	4.2%	--%
<i>CalPERS Custom Long Liability</i>		3.7%	-2.0%	6.9%	3.8%	--%
TIPS	\$ 90.7	3.2%	6.5%	6.5%	4.2%	--%
<i>CalPERS TIPS</i>		3.2%	6.5%	6.5%	4.2%	--%
REITs	\$ 143.6	9.3%	34.7%	7.5%	5.7%	--%
<i>Custom Benchmark</i>		9.2%	33.6%	6.5%	4.8%	--%
Commodities	\$ 73.2	15.7%	57.3%	-2.4%	2.0%	--%
<i>GSCI Total Return</i>		15.7%	57.4%	-2.7%	1.7%	--%
Cash/Short-Term	\$ 3.2	NM	NM	NM	NM	--%
<i>91-Day T-Bill</i>		0.0%	0.1%	1.3%	1.2%	--%

¹¹ CERBT Strategy 2 cash balances are inclusive of employer fund contributions that are in the process of being invested into asset classes. These contributions may occur daily, and tend to be higher at the end of each quarter.

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CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 3 PERIOD ENDED JUNE 30, 2021

CERBT 3 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 3	100.0%	100.0%	0.0%
Global Equity	21.9%	22.0%	-0.1%
US Fixed Income	49.1%	49.0%	0.1%
TIPS	16.0%	16.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	5.0%	5.0%	0.0%
Cash/Short-Term	0.0%	0.0%	0.0%

NET OF FEE PLAN PERFORMANCE RESULTS – CERBT 3 ¹²

	Asset Value (\$Million)	Performance				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 3	\$ 818.7	5.5%	13.6%	9.0%	7.1%	--%
<i>Total CERBT Strategy 3 Benchmark</i>		5.5%	13.4%	8.8%	6.9%	--%
CERBT 3 Programs:						
Global Equity	\$ 179.5	7.2%	41.2%	14.5%	14.9%	--%
<i>CERBT Global Equity Benchmark</i>		7.2%	40.9%	14.2%	14.5%	--%
Domestic Fixed Income	\$ 401.8	3.8%	-2.0%	6.9%	4.2%	--%
<i>CalPERS Custom Long Liability</i>		3.7%	-2.0%	6.9%	3.8%	--%
TIPS	\$ 131.0	3.2%	6.5%	6.5%	4.2%	--%
<i>CalPERS TIPS</i>		3.2%	6.5%	6.5%	4.2%	--%
REITs	\$ 64.8	9.3%	34.7%	7.6%	5.7%	--%
<i>Custom Benchmark</i>		9.2%	33.6%	6.5%	4.8%	--%
Commodities	\$ 41.3	15.7%	57.3%	-2.2%	2.2%	--%
<i>GSCI Total Return</i>		15.7%	57.4%	-2.7%	1.7%	--%
Cash/Short-Term	\$ 0.3	NM	NM	NM	NM	--%
<i>91-Day T-Bill</i>		0.0%	0.1%	1.3%	1.2%	--%

¹² CERBT Strategy 3 cash balances are inclusive of employer fund contributions that are in the process of being invested into asset classes. These contributions may occur daily, and tend to be higher at the end of each quarter.

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CA EMPLOYERS' PENSION PREFUNDING TRUST

CA PENSION PREFUNDING TRUST PERFORMANCE PERIOD ENDED JUNE 30, 2021

CEPPT STRATEGY 1 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PENSION PREFUNDING TRUST-STRATEGY 1	100.0%	100.0%	0.0%
Global Equity	39.8%	40.0%	-0.2%
US Fixed Income	46.8%	47.0%	-0.2%
REITs	7.9%	8.0%	-0.1%
TIPS	5.0%	5.0%	0.0%
Cash/Short-Term	0.5%	0.0%	0.5%

NET OF FEE PERFORMANCE RESULTS – CEPPT STRATEGY 1 ¹³

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Pension Prefunding Trust - Strategy 1	\$ 38.6	4.7%	18.2%	-.-%	-.-%	-.-%
<i>CEPPT Strategy 1 Policy Benchmark</i>		4.6%	18.1%	-.-%	-.-%	-.-%
CEPPT Strategy 1 Programs:						
CEPPT S1 Equity	\$ 15.3	7.2%	41.2%	-.-%	-.-%	-.-%
<i>MSCI ACWI IMI Net</i>		7.2%	40.9%	-.-%	-.-%	-.-%
CEPPT S1 Fixed Income	\$ 18.1	1.8%	-0.4%	-.-%	-.-%	-.-%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		1.8%	-0.3%	-.-%	-.-%	-.-%
CEPPT S1 REITs	\$ 3.0	9.3%	34.7%	-.-%	-.-%	-.-%
<i>Custom Benchmark</i>		9.2%	33.6%	-.-%	-.-%	-.-%
CEPPT S1 TIPS	\$ 1.9	3.2%	6.4%	-.-%	-.-%	-.-%
<i>CalPERS TIPS</i>		3.2%	6.5%	-.-%	-.-%	-.-%
CEPPT S1 Cash	\$ 0.2	NM	NM	-.-%	-.-%	-.-%
<i>91-Day Treasury Bill</i>		0.0%	0.1%	-.-%	-.-%	-.-%

¹³ CEPPT Strategy 1 cash balances are inclusive of employer fund contributions that are in the process of being invested into asset classes. These contributions may occur daily, and tend to be higher at the end of each quarter.

The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Prior to that it was the FTSE EPRA/NAREIT Developed Liquid (Net) Index.

CA PENSION PREFUNDING TRUST PERFORMANCE PERIOD ENDED JUNE 30, 2021

CEPPT STRATEGY 2 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PENSION PREFUNDING TRUST-STRATEGY 2	100.0%	100.0%	0.0%
Global Equity	13.9%	14.0%	-0.1%
US Fixed Income	72.7%	73.0%	-0.3%
REITs	7.9%	8.0%	-0.1%
TIPS	5.0%	5.0%	0.0%
Cash/Short-Term	0.5%	0.0%	0.5%

NET OF FEE PERFORMANCE RESULTS – CEPPT STRATEGY 2 ¹⁴

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Pension Prefunding Trust - Strategy 2	\$ 19.4	3.2%	7.9%	--%	--%	--%
<i>CEPPT Strategy 2 Policy Benchmark</i>		3.2%	7.8%	--%	--%	--%
CEPPT Strategy 2 Programs:						
CEPPT S2 Equity	\$ 2.7	7.2%	41.2%	--%	--%	--%
<i>MSCI ACWI IMI Net</i>		7.2%	40.9%	--%	--%	--%
CEPPT S2 Fixed Income	\$ 14.1	1.8%	-0.4%	--%	--%	--%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		1.8%	-0.3%	--%	--%	--%
CEPPT S2 REITs	\$ 1.5	9.3%	34.6%	--%	--%	--%
<i>Custom Benchmark</i>		9.2%	33.6%	--%	--%	--%
CEPPT S2 TIPS	\$ 1.0	3.2%	6.5%	--%	--%	--%
<i>CalPERS TIPS</i>		3.2%	6.5%	--%	--%	--%
CEPPT S2 Cash	\$ 0.1	NM	NM	--%	--%	--%
<i>91-Day Treasury Bill</i>		0.0%	0.1%	--%	--%	--%

¹⁴ CEPPT Strategy 2 cash balances are inclusive of employer fund contributions that are in the process of being invested into asset classes. These contributions may occur daily, and tend to be higher at the end of each quarter.

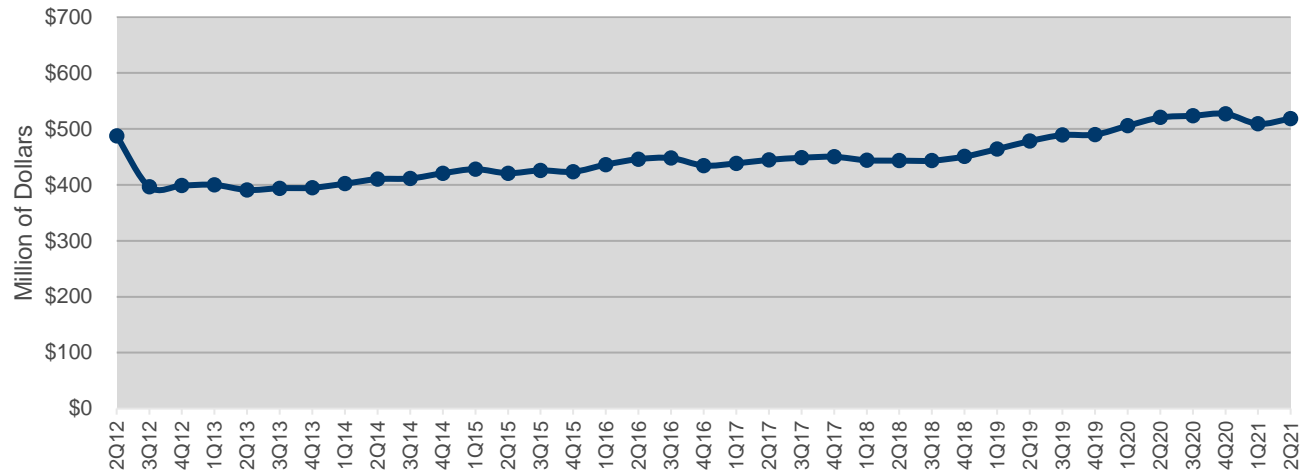
The REIT Custom Benchmark is the FTSE EPRA/NAREIT Developed (Net) Index starting 3/27/2020. Prior to that it was the FTSE EPRA/NAREIT Developed Liquid (Net) Index.



HEALTH CARE FUND

HEALTH CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS ¹⁵



NET OF FEE PLAN PERFORMANCE RESULTS – HEALTH CARE FUND

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Health Care Bond Fund	\$ 518.4	1.8%	-0.4%	5.4%	3.1%	3.7%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		1.8%	-0.3%	5.3%	3.0%	3.4%

¹⁵ The decline in assets in the 3rd quarter of 2012 was due to a \$100 million withdrawal from the fund.

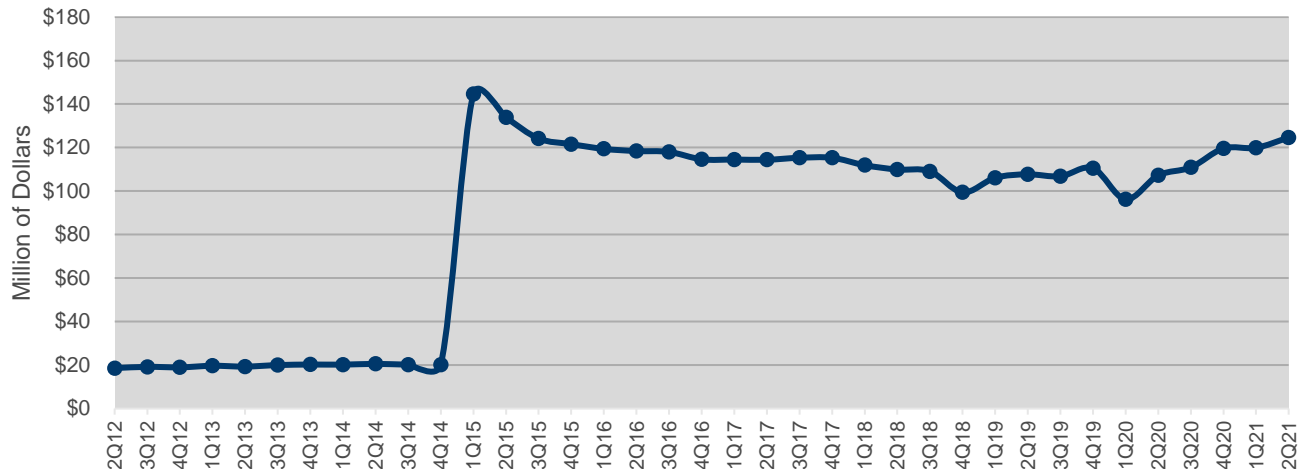


SUPPLEMENTAL INCOME PLANS

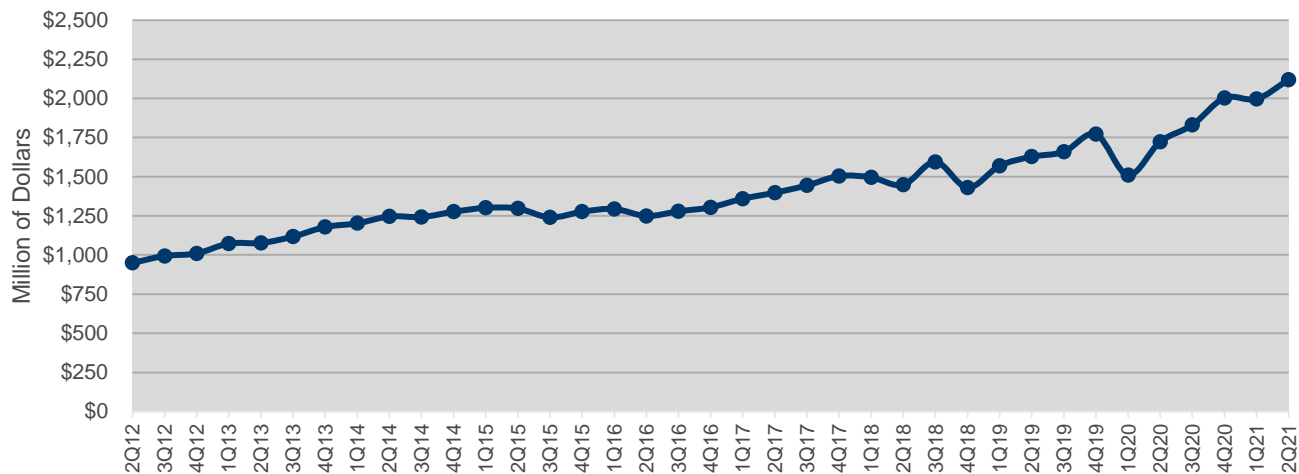


SUPPLEMENTAL INCOME PLANS PERIOD ENDED JUNE 30, 2021

GROWTH IN ASSETS – SUPPLEMENTAL CONTRIBUTION PLAN ¹⁶



GROWTH IN ASSETS – 457 PROGRAM



¹⁶ SCP experienced a steep increase in assets during the 1st quarter of 2015. This was due to the termination of the State Peace Officers' and Firefighters' (POFF) Defined Contribution Plan, which took place June 1, 2014. The termination required distributions of participants' money in the POFF DC Plan in accordance with state and federal law, and SCP was designated as the default plan for participants who did not make an affirmative election to take a distribution.

SUPPLEMENTAL CONTRIBUTION PLAN PERFORMANCE PERIOD ENDED JUNE 30, 2021

NET OF FEE PLAN PERFORMANCE RESULTS – SCP

	Asset Value (\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Target Income Fund	\$ 18.7	3.6%	12.5%	8.6%	6.4%	5.2%
<i>SIP Income Policy</i>		3.6%	12.6%	8.4%	6.2%	5.1%
CalPERS Target 2015 Fund	\$ 16.2	3.7%	13.5%	8.7%	6.4%	5.5%
<i>SIP 2015 Policy</i>		3.7%	13.6%	8.5%	6.3%	5.5%
CalPERS Target 2020 Fund	\$ 23.9	4.4%	18.4%	9.8%	7.5%	6.2%
<i>SIP 2020 Policy</i>		4.3%	18.5%	9.6%	7.3%	6.2%
CalPERS Target 2025 Fund	\$ 22.9	5.0%	23.4%	11.0%	9.0%	7.1%
<i>SIP 2025 Policy</i>		5.0%	23.5%	10.7%	8.8%	7.0%
CalPERS Target 2030 Fund	\$ 17.7	5.7%	28.6%	11.8%	10.1%	7.8%
<i>SIP 2030 Policy</i>		5.6%	28.7%	11.6%	10.0%	7.8%
CalPERS Target 2035 Fund	\$ 9.1	6.3%	34.0%	12.8%	11.4%	-.-%
<i>SIP 2035 Policy</i>		6.3%	34.1%	12.6%	11.3%	-.-%
CalPERS Target 2040 Fund	\$ 5.0	6.9%	38.4%	13.6%	12.6%	9.2%
<i>SIP 2040 Policy</i>		6.8%	38.4%	13.4%	12.6%	9.2%
CalPERS Target 2045 Fund	\$ 1.2	6.9%	38.4%	13.7%	13.2%	-.-%
<i>SIP 2045 Policy</i>		6.8%	38.4%	13.6%	13.2%	-.-%
CalPERS Target 2050 Fund	\$ 0.2	6.9%	38.4%	13.7%	13.2%	-.-%
<i>SIP 2050 Policy</i>		6.8%	38.4%	13.6%	13.2%	-.-%
CalPERS Target 2055 Fund	\$ 0.1	6.9%	38.4%	13.7%	13.2%	-.-%
<i>SIP 2055 Policy</i>		6.8%	38.4%	13.6%	13.2%	-.-%
CalPERS Target 2060 Fund	\$ 0.0	NM	NM	-.-%	-.-%	-.-%
<i>SIP 2060 Policy</i>		6.8%	38.4%	-.-%	-.-%	-.-%
SSgA Russell All Cap Index SL	\$ 6.1	8.3%	44.2%	18.7%	17.9%	-.-%
<i>Russell 3000</i>		8.2%	44.2%	18.7%	17.9%	-.-%
SSgA Global All Cap ex-US SL	\$ 0.7	5.7%	36.9%	9.7%	11.3%	-.-%
<i>MSCI ACWI ex-US IMI (N)</i>		5.6%	37.2%	9.4%	11.2%	-.-%
SSgA US Bond Index SL	\$ 0.6	1.8%	-0.4%	5.4%	3.1%	-.-%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		1.8%	-0.3%	5.3%	3.0%	-.-%
SSgA US Short Term Bond	\$ 0.6	0.0%	0.4%	2.9%	1.8%	-.-%
<i>Bloomberg Barc. US Gov/Credit</i>		0.0%	0.4%	3.0%	1.9%	-.-%
SSgA Real Asset NL	\$ 0.3	6.8%	30.9%	7.0%	6.2%	-.-%
<i>Real Assets Blended Index</i>		6.9%	31.2%	6.9%	6.2%	-.-%
SSgA STIF	\$ 1.5	0.0%	0.1%	1.5%	1.3%	-.-%
<i>BofAML 3 Months US T-Bill</i>		0.0%	0.1%	1.3%	1.2%	-.-%
SCP AGGREGATE	\$ 124.6					

457 PROGRAM PERFORMANCE

PERIOD ENDED JUNE 30, 2021

NET OF FEE PLAN PERFORMANCE RESULTS – 457

	Asset Value (\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Target Income Fund	\$ 101.4	3.6%	12.5%	8.6%	6.4%	5.2%
<i>SIP Income Policy</i>		3.6%	12.6%	8.4%	6.2%	5.1%
CalPERS Target 2015 Fund	\$ 82.7	3.7%	13.5%	8.7%	6.4%	5.5%
<i>SIP 2015 Policy</i>		3.7%	13.6%	8.5%	6.3%	5.5%
CalPERS Target 2020 Fund	\$ 163.0	4.3%	18.4%	9.8%	7.5%	6.2%
<i>SIP 2020 Policy</i>		4.3%	18.5%	9.6%	7.3%	6.2%
CalPERS Target 2025 Fund	\$ 203.9	5.0%	23.4%	10.9%	9.0%	7.1%
<i>SIP 2025 Policy</i>		5.0%	23.5%	10.7%	8.8%	7.0%
CalPERS Target 2030 Fund	\$ 195.2	5.7%	28.6%	11.8%	10.1%	7.8%
<i>SIP 2030 Policy</i>		5.6%	28.7%	11.6%	10.0%	7.8%
CalPERS Target 2035 Fund	\$ 122.4	6.3%	34.0%	12.7%	11.4%	8.5%
<i>SIP 2035 Policy</i>		6.3%	34.1%	12.6%	11.3%	8.6%
CalPERS Target 2040 Fund	\$ 119.3	6.9%	38.4%	13.6%	12.6%	9.2%
<i>SIP 2040 Policy</i>		6.8%	38.4%	13.4%	12.6%	9.2%
CalPERS Target 2045 Fund	\$ 68.2	6.9%	38.4%	13.7%	13.2%	9.4%
<i>SIP 2045 Policy</i>		6.8%	38.4%	13.6%	13.2%	9.5%
CalPERS Target 2050 Fund	\$ 38.6	6.9%	38.4%	13.7%	13.2%	9.4%
<i>SIP 2050 Policy</i>		6.8%	38.4%	13.6%	13.2%	9.5%
CalPERS Target 2055 Fund	\$ 13.7	6.9%	38.4%	13.7%	13.2%	--%
<i>SIP 2055 Policy</i>		6.8%	38.4%	13.6%	13.2%	--%
CalPERS Target 2060 Fund	\$ 7.1	6.9%	38.4%	--%	--%	--%
<i>SIP 2060 Policy</i>		6.8%	38.4%	--%	--%	--%
SSgA Russell All Cap Index SL	\$ 702.6	8.3%	44.2%	18.7%	17.9%	--%
<i>Russell 3000</i>		8.2%	44.2%	18.7%	17.9%	--%
SSgA Global All Cap ex-US SL	\$ 78.0	5.7%	36.9%	9.7%	11.3%	--%
<i>MSCI ACWI ex-US IMI (N)</i>		5.6%	37.2%	9.4%	11.2%	--%
SSgA US Bond Index SL	\$ 63.7	1.8%	-0.4%	5.4%	3.1%	--%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		1.8%	-0.3%	5.3%	3.0%	--%
SSgA US Short Term Bond	\$ 39.5	0.0%	0.4%	2.9%	1.8%	--%
<i>Bloomberg Barc. US Gov/Credit</i>		0.0%	0.4%	3.0%	1.9%	--%
SSgA Real Asset NL	\$ 11.7	6.8%	30.9%	7.0%	6.3%	--%
<i>Real Assets Blended Index</i>		6.9%	31.2%	6.9%	6.2%	--%
SSgA STIF	\$ 108.0	0.0%	0.1%	1.5%	1.3%	--%
<i>BofAML 3 Months US T-Bill</i>		0.0%	0.1%	1.3%	1.2%	--%
457 AGGREGATE	\$ 2,119.1					