Global Public Equity Annual Program Review

As of Fiscal Year End June 30, 2026

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September 14, 2026

CalPERS

Today’s Presentation

- Global Public Equity (GPE) Program Summary
- Market Environment
- Strategy Positioning, Performance and Risk Analysis
- Key Initiatives and Business Updates
- Appendix

All data as of Fiscal Year End (FYE) June 30, 2026, unless otherwise noted.

GPE Program Summary

Fiscal Year 25/26 Represents GPE's Highest Excess Return in Nearly 3 Decades

$242B AUM

	Total Return	Excess Return
20-Year	8.57%	-5 bps
10-Year	12.61%	+23 bps
5-Year	11.07%	+50 bps
3-Year	19.45%	+85 bps
1-Year	24.15%	+168 bps

Strategy	% GPE	AUM
Active Equities	51%	$123B
Passive Equities	49%	$119B

19.3% Forecasted Volatility

39 bps Forecasted Tracking Error

Program Summary | Portfolio Positioning & Risk

The Core Building Blocks of GPE's Portfolio Deliver Liquidity and Support Prudent Risk-Taking

GPE Segments | SAA

- Cap Weighted Segment
- Factor Weighted Segment

GPE Strategies | TPA

- Index-Oriented Strategy
- Enhanced Index Strategy[1]
- Traditional Active Strategy[1]
- Multi-Factor Strategy[1]
- Climate Transition Strategy[2]

	AUM	Forecasted Volatility	Forecasted Tracking Error
Index-Oriented	$111.9B	19.7%	5 bps
Enhanced Index	$52.8B	19.3%	42 bps
Traditional Active	$43.4B	18.7%	192 bps
Multi-Factor	$27.1B	19.6%	71 bps
Climate	$6.6B	19.4%	47 bps

[1]Denotes this is part of the Active Book under the Cap Weighted Segment
[2]Climate Transition considered Active under TPA effective 7/1/2026

Market Environment

Current Concerns & Opportunities

- Market volatility driven by geopolitical and policy uncertainty
- Equity multiples remain sensitive to inflation expectations
- Earnings breadth: earnings growth amplified in tech but broadening
- AI thematics: market concentration, capex, and productivity
- Higher-for-longer rate backdrop

Investment Themes

- Long-term Horizon: Endure short-term volatility while strategically pursuing active risk
- Regional Market Efficiency: Focus on active management in less efficient markets

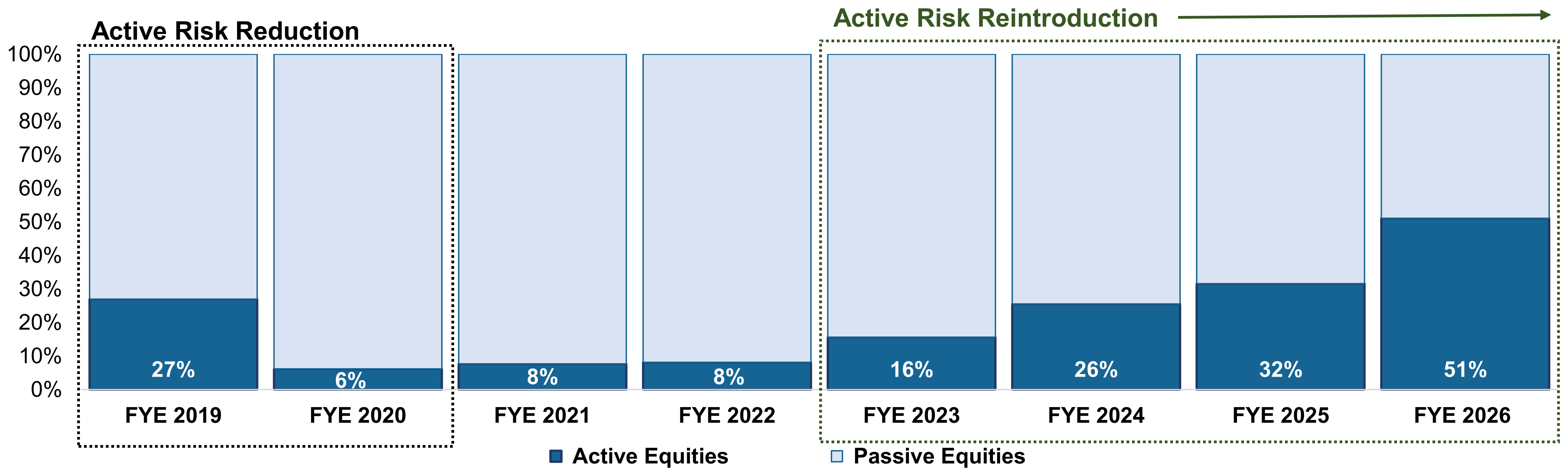
Strategy and Portfolio Positioning

Strategy	% GPE	AUM	5-Yr Active $ Value Added	Management
Global Public Equity	100%	$242B	$5.0B[1]	Internally Managed: 84% Externally Managed: 16%
Active Equities	51%	$123B	$4.1B	Internally Managed: 69% Externally Managed: 31%
Passive Equities	49%	$119B	$451M	Internally Managed: 100%

[1]Global Public Equity DVA includes allocation effect that is not reflected in the underlying Active/Passive breakout

Strategy and Portfolio Positioning | Historical Allocation

Strategic Focus: Rebuilding Active Equities Allocation



[1]Deployed $4.5B by fiscal-year-end and additional $2B in the beginning of FY 25/26

Strategy and Portfolio Positioning | Rebuilding Active Equities

Deployed $65B to Active Equities in the last 3.5 years

Objectives

- Build an active book to deliver long-term excess returns and dollar value added (DVA) relative to the public equity benchmark
- Allocate to strategies that could enhance the risk/return profile of public equities
- Add diversifying sources of alpha

Actions

- Initiated 5 distinct manager/strategy searches
- Added 7 new strategies and enhanced internal strategies
- Allocated additional capital to existing high-conviction strategies

Outcomes

- Increased Active Equities allocation to 51% as of FYE 2026 (vs 8% as of FYE 2022)
- Structured attractive management fees in alignment with our interests
- Delivered cumulative DVA of $3.9B since Active Risk Reintroduction

Strategy and Portfolio Positioning | Rebuilding Active Equities

People, Processes, Tools, and Governance Support Sustained Success

PEOPLE

Experienced & Collaborative Team

- Equity Portfolio Implementation
- Active Equity Strategies
- Equity Portfolio Design & Analytics
- Corporate Governance

PROCESSES

Faster Cycles, Disciplined Workflows

- Manager Universe Continuous Search Process
- Investment and Operational Due Diligence
- Capital Allocation
- Strategy Implementation
- Strategy/Manager Monitoring

TOOLS

Decision-Support & Diagnostics

- Quantitative Analysis
- Qualitative Analysis
- Strategy Deep Dives & Underwriting Reviews
- 3rd Party Platforms
- In-house Proprietary Analytics

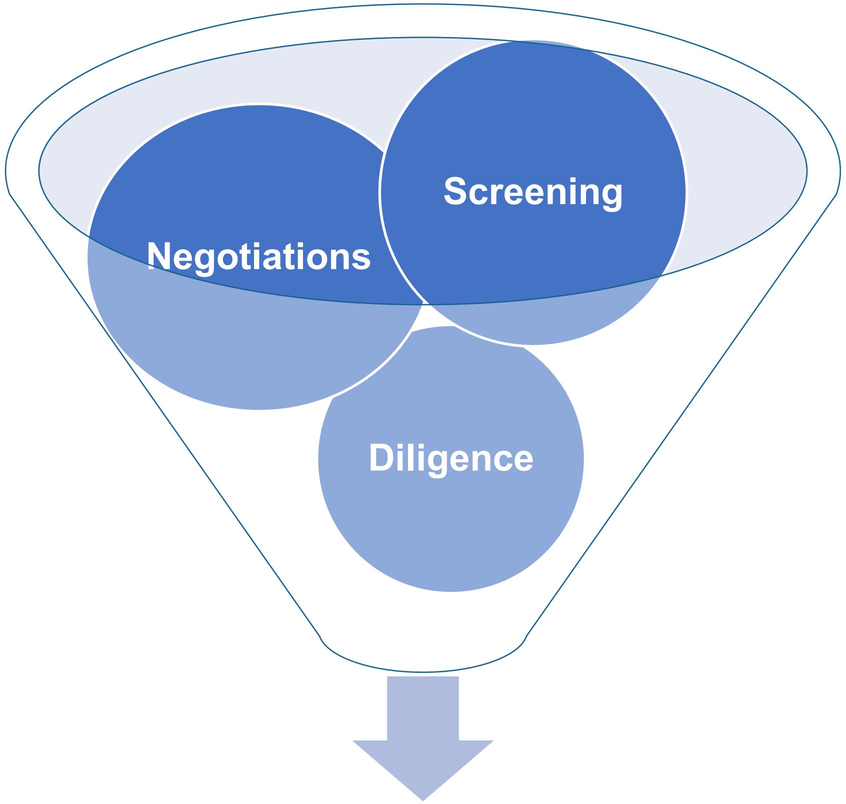
GOVERNANCE

Decision-Making & Accountability

- GPE Investment Review Committee
- GPE Capital Allocation Committee
- INVO Investment Underwriting Committee
- INVO Total Fund Management Committee

Strategy and Portfolio Positioning | Rebuilding Active Equities

CalPERS GPE Active Book Selection Rate: 5.3%[1]



Strategy Recommendations

Starting Universe (Across 5 Searches): 7,000 Strategies

Passed Initial Screen: 2% of Universe

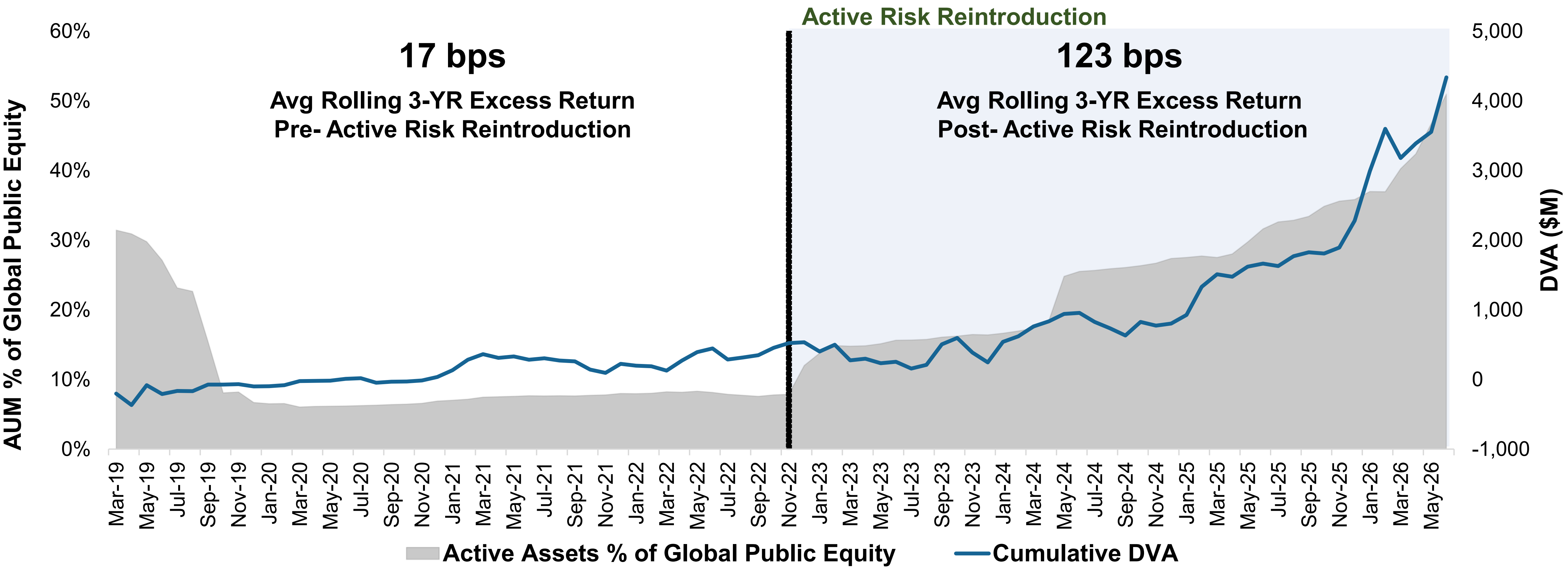
Investment Due Diligence:
<1% of Universe, 28% of Initial Screen

Total Selected: 7 Strategies
0.10% of Universe, 5.3% of Initial Screen

[1]Selection rate relative to initial screen

Strategy and Portfolio Positioning | Rebuilding Active Equities

The Active Book Has Delivered a Higher Level of Outperformance Alongside Our Increased Commitment

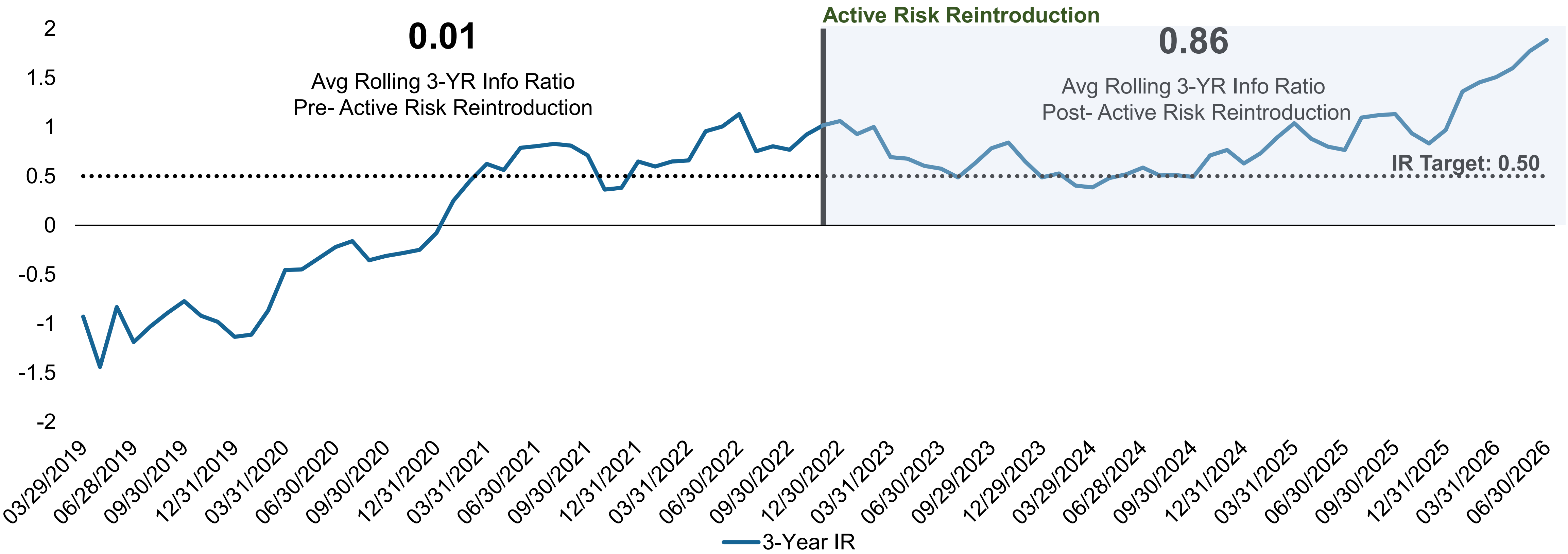


History Pre- Active Risk Reintroduction: March 2019-October 2022
History Since Active Risk Reintroduction: November 2022-June 2026

Strategy and Portfolio Positioning | Rebuilding Active Equities

CalPERS Active Equities Has Delivered Strong Risk-Adjusted Returns Since Rebuilding the Strategy

CalPERS Active Equities Rolling 3-Year Information Ratio



History Pre- Active Risk Reintroduction: March 2019-October 2022
History Since Active Risk Reintroduction: November 2022-June 2026

Strategy Performance & Risk

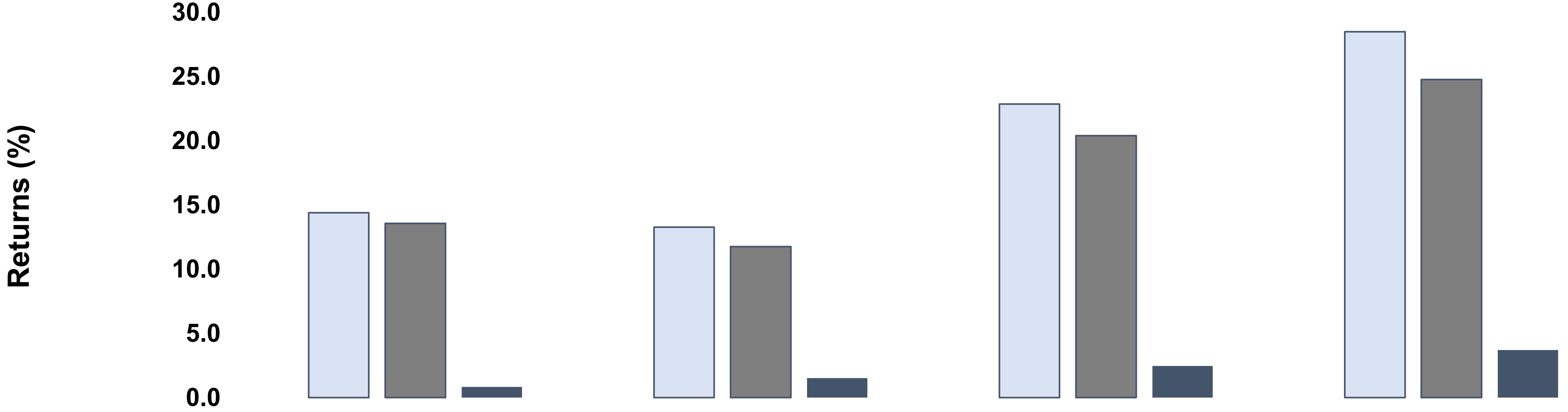
Strategy	10-Year		5-Year		3-Year		1-Year			
	Total Return	Excess Return	Total Return	Excess Return	Total Return	Excess Return	Total Return	Excess Return	Forecasted Volatility[1]	Forecasted Tracking Error[1]
Global Public Equity	12.61%	23 bps	11.07%	50 bps	19.45%	85 bps	24.15%	168 bps	19.3%	39 bps
Active Equities	14.40%	84 bps	13.28%	152 bps	22.87%	247 bps	28.49%	371 bps	19.0%	73 bps
Passive Equities	12.35%	10 bps	10.31%	5 bps	18.21%	6 bps	21.72%	2 bps	19.7%	5 bps

[1]Forecasted volatility and tracking error are forward-looking (post 7/1/2026 TPA implementation) and include Climate Transition Index (CTI) as part of Active. Total and excess returns are backward-looking (as of 6/30/2026) and include CTI as part of Passive

Performance | CalPERS Active Equities

CalPERS Active Equities Delivered Strong Risk-Adjusted Returns While Maintaining Liquidity and Cost Efficiency

CalPERS Active Equities Performance As of June 30, 2026

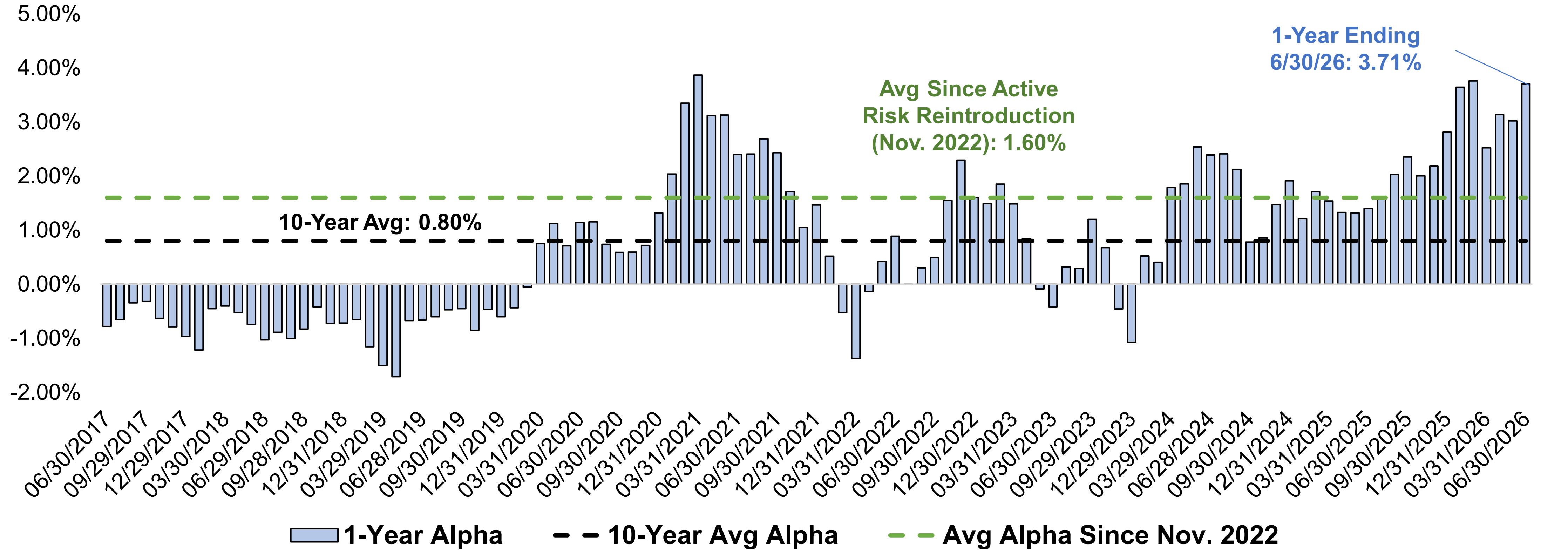


	10-Year (%)	5-Year (%)	3-Year (%)	1-Year (%)
CalPERS Active Equities	14.40	13.28	22.87	28.49
CalPERS Active Composite BM	13.56	11.75	20.40	24.78
Excess Return	0.84	1.52	2.47	3.71
Information Ratio	0.69	1.05	1.88	2.73

Performance | CalPERS Active Equities

Recent Performance Has Been Exceptional but Is Expected to Moderate

CalPERS Active Equities Performance | Rolling 1-Year Alpha



Performance | Peer Universe Ranking

CalPERS GPE Performance Ranks in the Top Quartile

As of December 2025	CEM | Equities 4Yr Program Net Value Added (%)	eVestment | Active Equities 4Yr Excess Return (%)	eVestment | Active Equities 4Yr Information Ratio
CalPERS GPE Rank	**Top Quartile**	**Top Quartile**	**Top Quartile**
CalPERS GPE	**0.10**	**1.37**	**0.99**
90th Percentile	0.20	3.47	1.08
75th Percentile	0.10	1.22	0.41
Peer Median	**0.00**	**-0.45**	**-0.12**
25th Percentile	-0.80	-3.89	-0.66
10th Percentile	-1.20	-7.13	-1.12

[1]CEM Peer Group Benchmarking based on 4Y Net Value Add as of Dec 2025 (# observations:11)
[2]eVestment Global All Equities Benchmarking based on 4Y Excess Return and Information Ratio as of Dec 2025 (# observations: 1749)

Looking Back on Business & Key Initiatives

What Worked

- Deployed $34B to active strategies in a risk-aware manner
- Advanced development of strategy underwriting and allocation frameworks
- Implemented a new fee structure essential to preserving net alpha capture
- Advocated for shareholder rights and promoted board accountability
- Collaborated with Sustainable Investments to refine Climate Transition Index
- Delivered another year of strong absolute and excess returns

Areas for Refinement

- Formalize conviction-based capital allocation framework
- Refine analytics suite to augment decision-making capabilities
- Continue to enhance strategy selection and monitoring processes
- Continue to improve data and technology capabilities

Looking Ahead on Key Initiatives

Support Total Portfolio Approach:

- Expand collaboration in cross-asset forums to support Total Portfolio Approach

Continue to Enhance the Active Risk Framework and Portfolio Construction to:

- Further diversify sources of alpha potential
- Efficiently capture equity risk premia

Support the Data and Technology Modernization Initiative:

- Engage in design and implementation of Capital Markets and Total Fund Platform Project

Progress the Sustainable Investments 2030 Strategy:

- Collaborate with Sustainable Investments on Climate Transition Strategies

Integration of Governance and Sustainability

Proxy Voting	Vote all public company proxies in a manner consistent with CalPERS' Governance & Sustainability Principles and CalPERS Investment Beliefs
Engagement	Actively engage portfolio companies on compensation, corporate board diversity, climate change, human capital management, other governance and sustainability considerations to promote long-term value creation
Partnerships	Use external and internal partnerships to actively engage global asset owners and managers, companies, data providers, regulators, and standards-setting bodies
Research	Research, develop, and integrate best practices and proxy voting enhancements, while evolving Governance & Sustainability Principles

Stewardship | 2025-2026 Proxy Voting and Corporate Engagement

>11,000 Meetings Voted
&
>98,000 Ballot Items

Opposed 410 Directors for Climate Oversight Concerns

Opposed 45% of Say-on-Pay Proposals (U.S)

370 Company Engagements Representing $121B AUM

Climate Action 100+ Lead 20 Companies

Opposed 1,960 Directors over HCM/Diversity Concerns

Stewardship | U.S 2026 Proxy Season Trends

Governance and Regulatory Developments:

SEC Reshaping the Stewardship Framework – Pause on shareowner proposal no action requests

Shift in Mandatory Quarterly Reporting – Potential shift to semi-annual reporting vs. quarterly

Reincorporation trends to exit Delaware – Texas emerged as leading alternative jurisdiction

Executive Compensation Trends:

Pay Outcomes – Overall increase in median CEO pay. Along with companies that experienced weak stock price performance with increased equity award volumes to maintain grant values (poor alignment with shareowner experience)

SEC Proposed Rule on Compensation – The rule would exempt certain issuers from a number of CD&A disclosures. Also, removing advisory votes on Say-on-Pay, Frequency Votes, and Golden Parachutes

Shareowner Proposal Landscape:

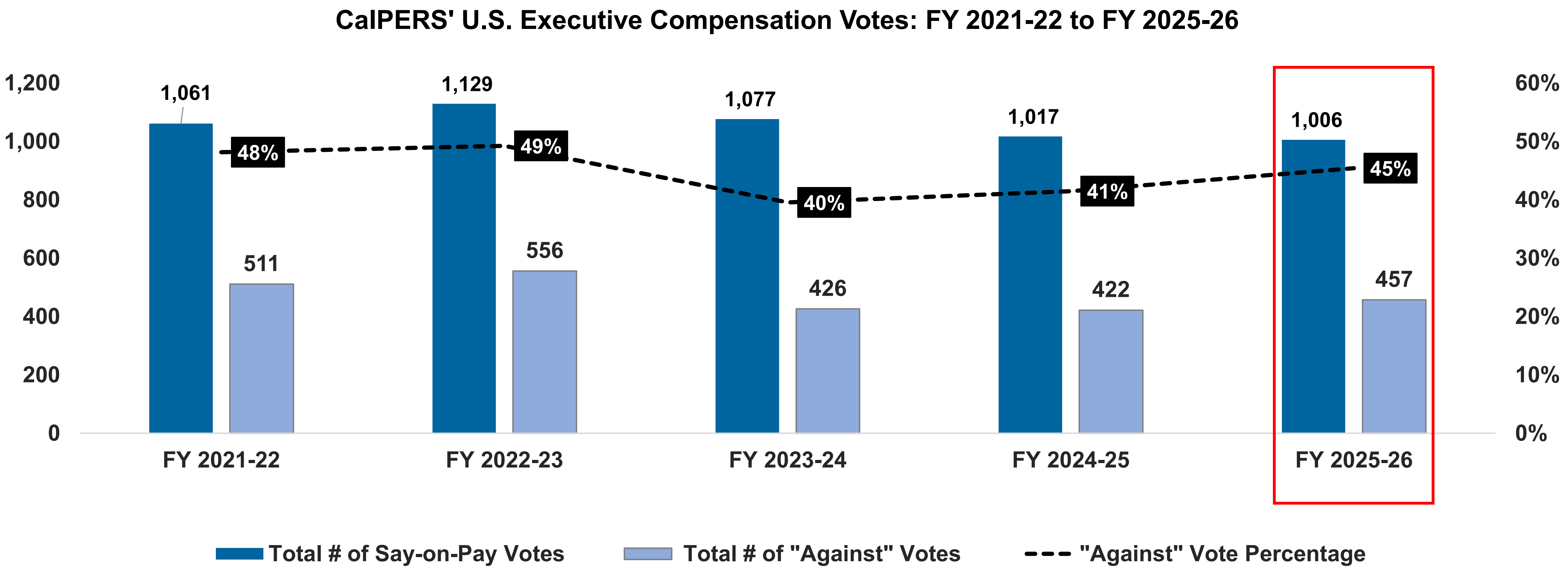
Submission and Voting Trends – The 2026 proxy season saw a significant drop in overall shareholder proposal submissions to a five-year low

Governance Proposals – Proposals experienced stable submission rates, most prevalent proposal Independent Board Chair

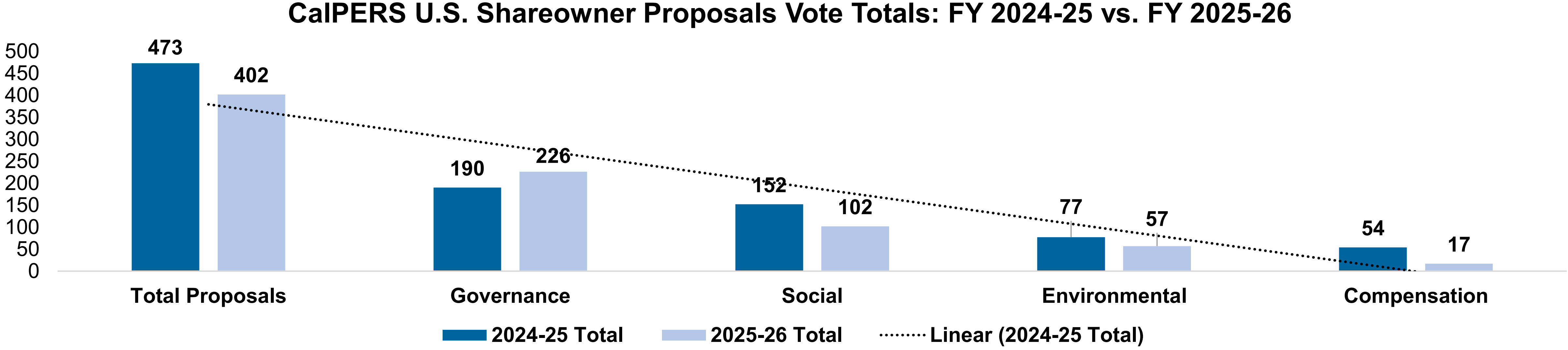
Environmental and Social Proposals – E&S proposal activity declined significantly both in terms of submissions and support level

Stewardship | CalPERS U.S. Executive Compensation Votes FY 2021-22 to 2025-26

Voted "Against" 45% of Say-On-Pay Proposals and 1,284 Compensation Committee Members



Stewardship | CalPERS U.S. Shareowner Proposal Vote Totals FY 2024-25 vs. FY2025-26



CalPERS U.S. Shareowner Proposal "Support" Level	2024-25	2025-26	2024-25 vs. 2025-26 "Support" Level Difference
Total Proposals	68%	69%	+1%
Governance	84%	88%	+4%
Social	55%	44%	-11%
Environmental	66%	53%	-13%
Compensation	48%	29%	-19%

Stewardship | Proxy Voting: Climate Risk Oversight

Climate Action 100+

- **Goals:**
  - Improve oversight of climate-related risks and opportunities
  - Curb greenhouse gas emissions
  - Strengthen climate-related financial disclosures
- **Progress Update:**
  - Leading engagement at 20 out of 170 focus companies
  - 80% of focus companies have set net zero commitment
  - 91% have some level of board oversight of material climate-related issues
  - 81% working to align with Taskforce on Climate Related Financial Disclosure recommendations

Top GHG Emitters

- **Top GHG Emitters:**
  - Account for 80% of portfolio scope 1 and 2 emissions
  - Account for over 70% of portfolio scope 3 emissions
- **Proxy Voting & Engagement:**
  - Held directors accountable at highest 350 emitting companies in the portfolio
  - Voted “against” 410 directors at 115 companies
  - CalPERS seeks to engage with all companies where directors were voted against

Stewardship | Key Issues and Priorities for FY 2026-27

Climate & Sustainability

- Director Accountability at CalPERS Top Emitters
- Climate Action 100+
- Support climate shareowner proposals:
  - Climate Risk
  - Net Zero Target Setting
  - Climate Transition
  - GHG Emissions

Governance

- Board Composition and Diversity
- Executive Compensation (Say-on-Pay)
- Enhance Disclosures of Director Characteristics
- Board Oversight of Artificial Intelligence
- U.S. State of Reincorporation Requests
- Director accountability for shareowner proposal omission
- Support governance shareowner proposals:
  - Independent Board Chair
  - One-share one-vote

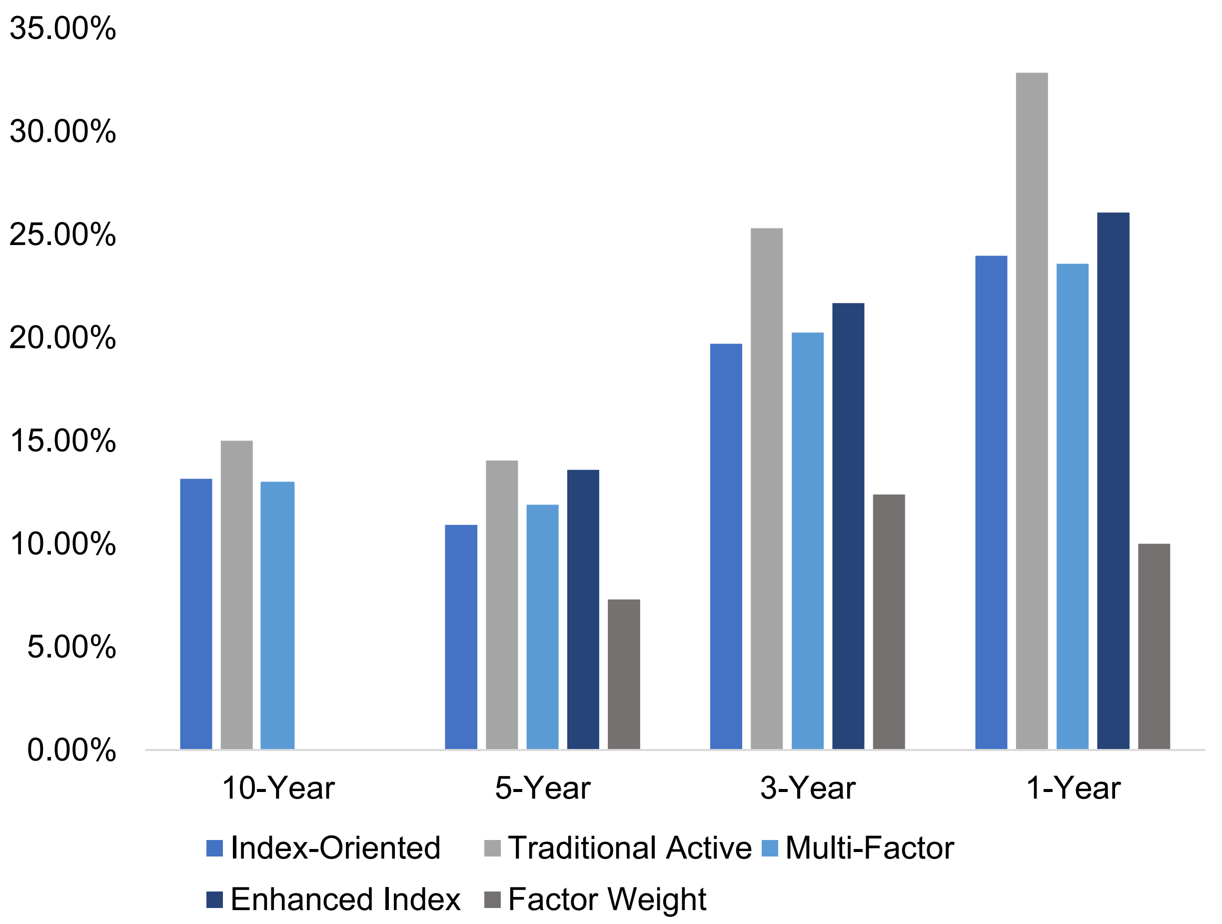
Social & Human Capital Management

- Hold directors accountable for insufficient EEO-1 Disclosure
- Artificial Intelligence related to HCM
- Support social/HCM related shareowner proposals:
  - Freedom of Association
  - Labor/Human Rights Disclosure
  - EEO-1 Reporting

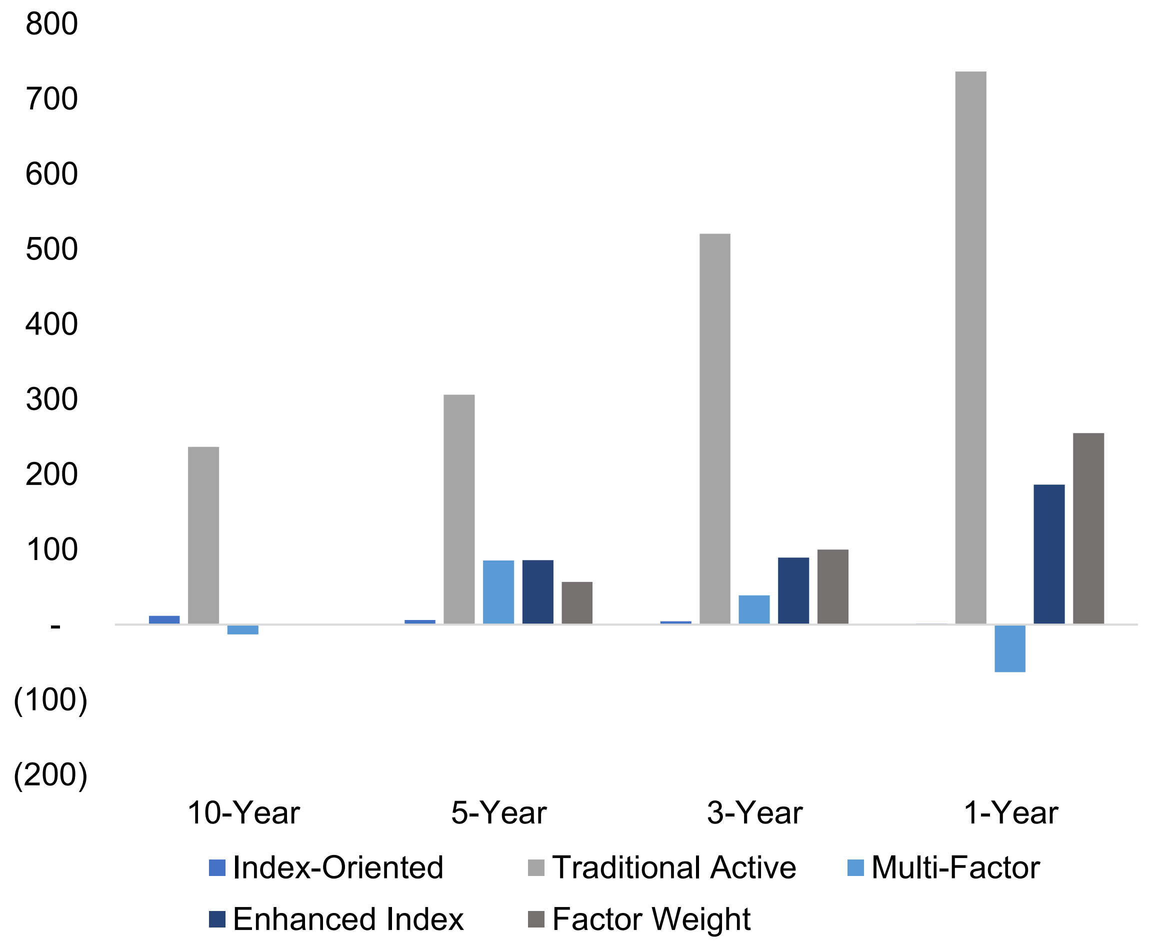
Appendix

Portfolio Performance | Total and Excess Returns by Strategy

Total Return by Strategy



Excess Return by Strategy (bps)



Note: All performance reported net of investment expenses and annualized.

5 Year Risk-Return by Strategy

Strategy	Return	Volatility	Sharpe Ratio	Tracking Error (bps)	Information Ratio
Index-Oriented	10.9%	14.9%	0.50	6	1.00
Enhanced Index	13.6%	15.6%	0.65	49	1.74
Traditional Active	14.0%	15.0%	0.70	300	1.02
Multi-Factor	11.9%	14.3%	0.58	176	0.49
Factor Weight[1]	7.3%	11.2%	0.34	119	0.48

Note: All performance reported net of investment expenses and annualized. Public Equity benchmarks are net of taxes. Risk measures are calculated using monthly returns

CalPERS

[1]Tracking Error for Factor Weight is inflated in this snapshot due to repositioning ahead of TPA. Historically, typical Tracking Error for this strategy was approximately 12 bps

Investment Beliefs

Investment Beliefs Associated with Global Public Equity:

- Investment Belief II: A long investment horizon is a responsibility and an advantage
- Investment Belief IV: Long-term value creation requires effective management of three forms of capital: financial, physical, and human.
- Investment Belief VII: CalPERS will take risk only where we have a strong belief we will be rewarded for it
- Investment Belief VIII: Costs matter and need to be effectively managed
- Investment Belief X: Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives

Glossary

Forecasted Volatility
Risk model estimate of the expected future variability of a portfolio's returns. It reflects expected total risk, independent of a benchmark, with higher values indicating a wider range of possible outcomes

Forecasted Tracking Error
Risk model estimate of the expected future variability of a portfolio's excess returns relative to its benchmark. It reflects expected active risk, or the degree of deviation from the benchmark returns

Dollar Value Added (DVA)
The dollar amount of value created or lost through active management versus the benchmark

Information Ratio
A portfolio's excess return over its benchmark divided by tracking error, with higher values being more indicative of skill

Sharpe Ratio
A measure of risk-adjusted return that measures reward per unit of risk, measured as the portfolio's excess return over the risk-free rate divided by total volatility

Realized Tracking Error
The historical standard deviation of excess returns over a specified period