



CALSTRS

Collaborative Strategies Portfolio

Investment Committee Meeting
March 2024

Rationale

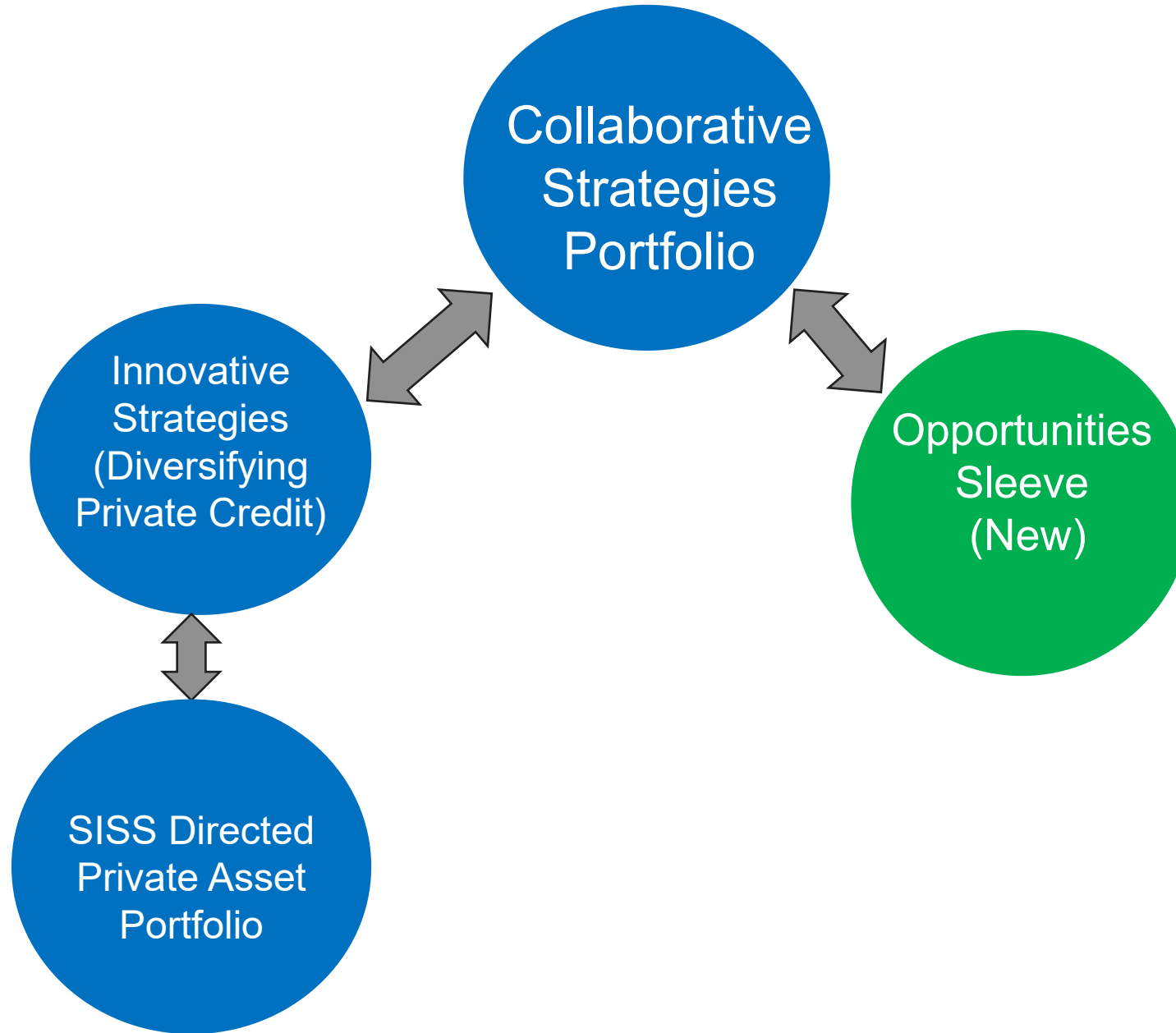
- Capture an expanded set of investment opportunities
- Gain competitive advantages versus peers
- Respond more nimbly to shifting market dynamics and dislocations
- Create flexibility and scale for CalSTRS' benefit
- Align with Collaborative Model goals

Recommendations

Replace current Innovative Strategies Policy with **Collaborative Strategies Policy**

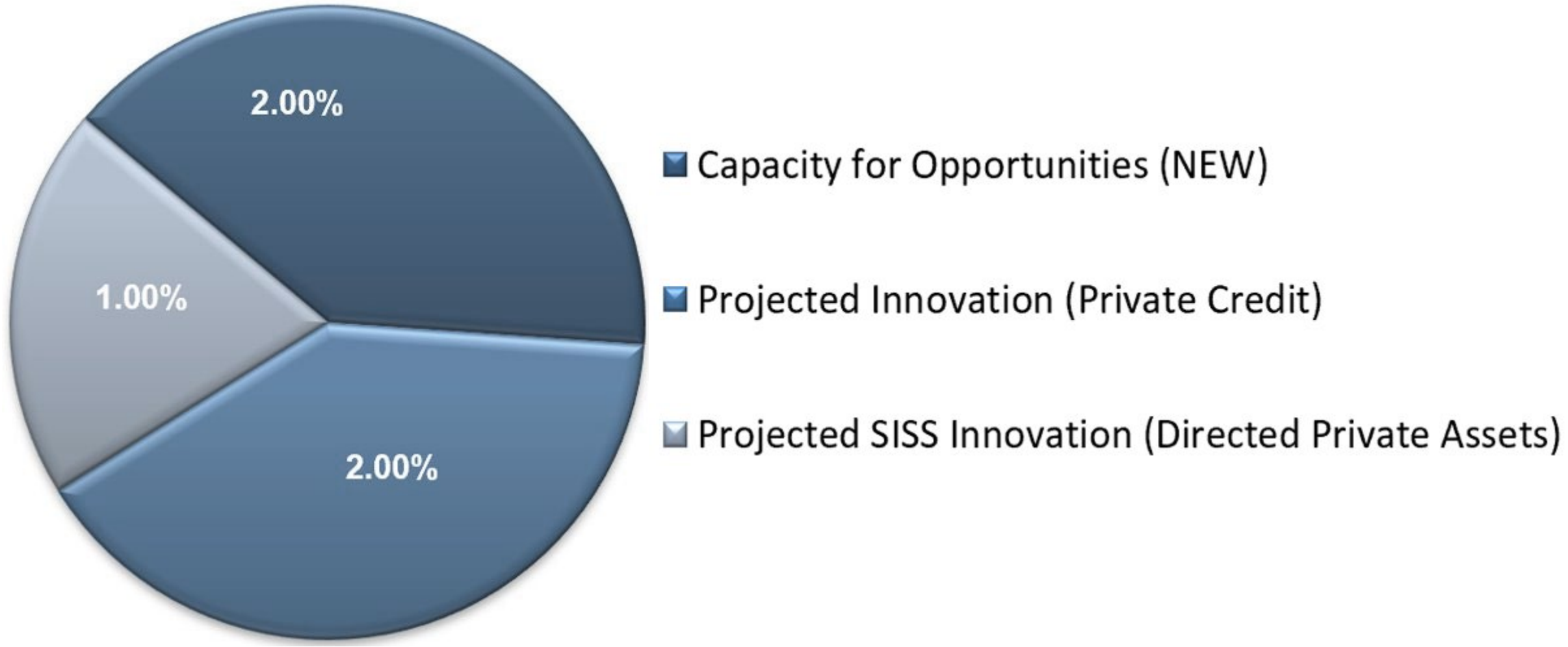
- Increase range from 0-2.5% to 0-5%
- Maintain existing governance, oversight, reporting practices
- Add new "Opportunities Sleeve" and maintain existing "Innovation Sleeve"
- Increase single investment limit from 0.5% to 1%

Collaborative Strategies Portfolio





Three-year allocation estimate



Impact to investment policies

| | Name change | Allocation Range |
|------------------------|-------------|------------------|
| IPS | X | X |
| PE | X | |
| SISS | X | |
| Incentive Compensation | X | |

End