



CALSTRS

Diversity in the Management of Investments

Investment Committee
July 8, 2021

Agenda

The Past (Slide 3)

Historical Background (covering 1989 to 2018)

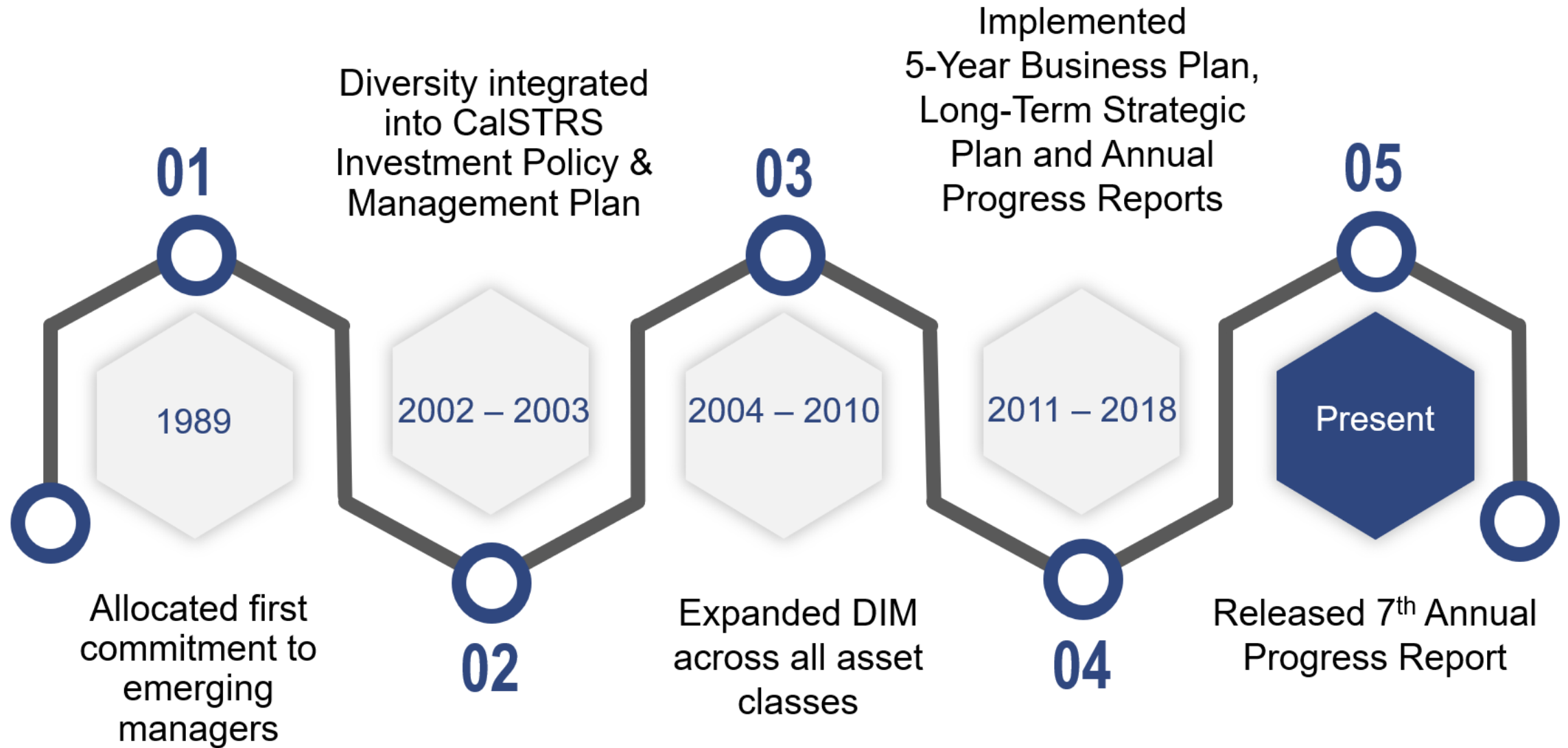
The Present (Slides 4 –5)

Progress of Goals & Objectives (covering 2019 to present)

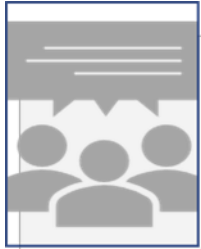
The Future (Slides 6 – 10)

Strategic Roadmap (covering 2022 and beyond)

The Past – Historical Background (1989-2018)



The Present – Annual Progress Report (2020)^(a)



Events.

Beyond Talk Attendees – 100+
Diversity Forum Attendees – 400+



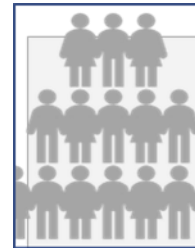
Student Intern Program.

Students Selected – 10



Emerging Manager Program.

AUM – \$15.5B (or 15% of the externally managed portfolio)



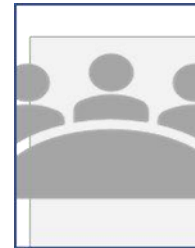
Corporate Board Diversity.

CA Companies Appointees – 20



Internal Talent Management.^(b)

By Gender – Female: 47%
By Ethnicity – Non-White: 51%



Internal Diversity Steering Committee and Investment Diversity Officer.

Footnotes:

(a) Information represents data and activity conducted in calendar year 2019.

(b) Gender & Ethnicity data represents Investment Branch staff total count of 176, including administrative support.

The Present – Diversity Definition (2021)



CalSTRS Investment Branch Diversity Definition (2021).

“At CalSTRS, diversity supports our mission to secure the financial future and sustain the trust of California’s educators. We believe diversity of experience, background, skills, gender, race, culture, and all the ways people can differ from one another – visibly and not – produces a diversity of thought that leads to better decision-making and better results. The Investments Branch is committed to measuring and managing our progress in educating, attracting, hiring, developing, promoting, paying, partnering with and investing in a diverse array of practitioners within CalSTRS and across the financial markets.”

[**Video Link**](#)

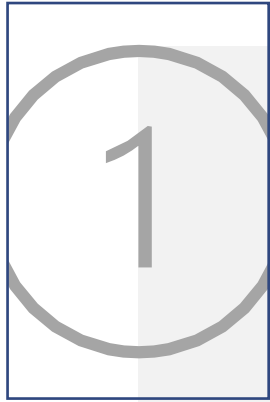
The Future – Strategic Roadmap Purpose (2022 & Beyond)



Strategic Roadmap. Catalogued into four core objectives:

Clarity, Priorities, Relevance and Implementation

The Future – Strategic Roadmap Core Objectives (2022 & Beyond)

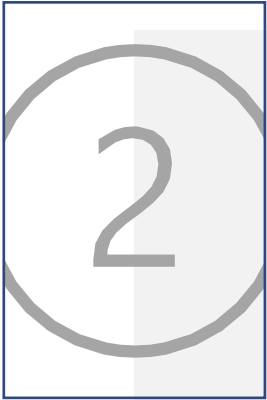


Clarity. Map the range of current activity on Diversity, Equity and Inclusion

Underlying Milestones:

- a) Gain perspectives of role, expectations from team
- b) Understand practicalities, constraints, and options
- c) Develop management and oversight tool of existing DIM activity

The Future – Strategic Roadmap Core Objectives (2022 & Beyond)

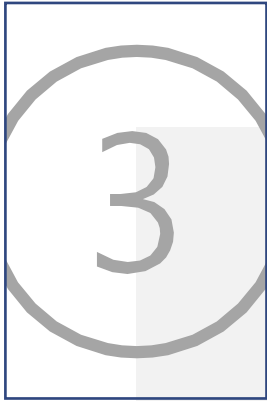


Priorities. Identify the areas of focus, sequence & coordination across the portfolio

Underlying Milestones:

- a) Gain insight of industry best practices
- b) Determine if existing Business Plan and Long-Term Strategic Plan remains sufficient to set new DIM goals and measurements of progress
- c) Determine the need for updated objectives that may add value to existing priorities

The Future – Strategic Roadmap Core Objectives (2022 & Beyond)

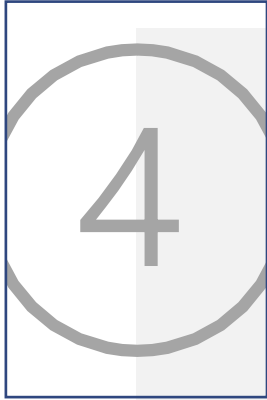


Relevance. Establish opportunities where CalSTRS has capacity and there is potential impact on sustainable risk & return

Underlying Milestones:

a) Define 1-year, 3-year, and 5-year Strategic Objectives

The Future – Strategic Roadmap Core Objectives (2022 & Beyond



Implementation. Plan delivery of key components, with reporting and targets integrated into strategies

Underlying Milestones:

- a) Obtain Investment Committee support of implementation plan

- b) Execute, monitor, measure and report progress

Questions and Discussion