



Investment Committee

Item Number 7b Open Session

Subject: Diversity, Equity, and Inclusion Education - Best Practices in Diversity, Equity, and Inclusion

Presenter(s): June Kim and Panel

Item Type: Information

Date & Time: November 1, 2023 – 60 minutes

Attachment(s): None

PowerPoint(s): PowerPoint 1 – Jennifer Choi, Institutional Limited Partners Association

PowerPoint 2 – Shelly Heier, Verus Investments

PowerPoint 3 – Sarah Maynard, CFA Institute

Item purpose

In [May 2023](#), the Investment Committee (the Committee) directed staff to present education on diversity, equity and inclusion best practices and specifically hear from industry leaders and managers. In response, staff is bringing a two-part educational session over this meeting and the next Committee meeting in January 2024.

In this item, the Committee will hear from three external investment industry experts with diverse, cross-disciplinary, applicable Diversity, Equity, and Inclusion knowledge.

Executive Summary: Panelist Bios

Moderated by CalSTRS staff, the following external experts will discuss best practices of DEI in the investment industry. They will share their insights of progressive best practices that will support and advance [CalSTRS Diversity in the Management of Investments \(“DIMI”\)](#) strategy.

Jennifer Choi ([Full Bio](#)). As CEO for the [Institutional Limited Partners Association – \(ILPA\)](#),



Jennifer Choi directs the association’s engagement with external industry stakeholders to inform and enhance ILPA’s education, research, membership and advocacy platforms. Ms. Choi also leads the implementation of ILPA’s responses to emerging issues impacting the asset class, including efforts to establish and promote industry best practices.

Shelly Heier ([Full Bio](#)). Shelly Heier is President of [Verus Investments \(Verus\)](#), a leading



provider of institutional investment consulting and OCIO services with over \$742 billion in assets under advisement. Shelly is an integral part of Verus’ leadership, serving on the board of directors, management committee, and chairing the alternatives investment committee. In addition to overseeing the broad investment division and consulting teams, she provides investment consulting services to a handful of clients, including foundations, university endowments, and hospitals. Shelly also spearheads the firm’s efforts around diversity, particularly through her leadership of the Institutional Investing Diversity Cooperative (IIDC).

Sarah Maynard, ASIP ([Full Bio](#)). Sarah Maynard is Global Senior Head, Diversity, Equity, &



Inclusion (DEI) at [CFA Institute](#), the global association of investment professionals that sets the standard for professional excellence and credentials. Based in London, Sarah leads a global, industry-recognized portfolio of DEI programs for CFA Institute stakeholders who include CFA Program candidates, CFA charterholders, CFA Societies, and investment institutions, in order to champion the cause of greater diversity, equity, and inclusion in the investment management industry. Sarah is also responsible for internal DEI at CFA Institute, reporting to CEO & President, Marg Franklin.

Strategic Plan Linkage:

- [CalSTRS Enterprise Core Value](#): *“Strength: We ensure the strength of our system by embracing a diversity of ideas and people.”*
- [CalSTRS Enterprise 2022-25 Strategic Plan](#): *“Goal 1: Trusted stewards – Diversity, equity and inclusion efforts drive organizational outperformance.”*
- [CalSTRS Enterprise 2022-23 Business Plans](#): *“4-D-6 – Incorporate diversity, equity and inclusion across all CalSTRS practices.”*

Board Policy Linkage:

- [CalSTRS Investment Policy Statement](#)

Optional Reference Material: *(prior board items, supplemental educational materials, etc.)*

- CalSTRS Investments Core Values: *“Respect – We strive to not only treat others as we would like to be treated, but to go the extra mile and treat others as they would like to be treated.”*
- [CalSTRS Investments Diversity Statement](#): *“CalSTRS Investments Diversity Statement: “Diversity supports CalSTRS’ 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.”*
- [CalSTRS Investments 2022-23 Business Plans](#): *“Investments Big Three Initiatives – Expand diversity across the total fund.”*
- CalSTRS Bill Analysis, AB 890 (Cervantes) – Emerging managers report: [May 2021](#)
- CalSTRS Investment Committee, DIMI Annual Updates: [May 2022](#) and [May 2023](#)
- CalSTRS Teachers Retirement Board, Update on Incorporating Diversity, Equity and Inclusion across the Enterprise: [March 2023](#)
- [Lean In and McKinsey & Company: Women in the Workplace 2023 \(Full Report\)](#)
- [Lean In and McKinsey & Company: Women in the Workplace 2023 \(Key Findings & Takeaways\)](#)
- [Harvard Business School - Ten Reasons Why Inclusion Is a Competitive Advantage](#)