

## Global coalitions and initiatives

CalSTRS often partners with our pension fund peers and other like-minded institutional investors to enhance our influence around issues that may pose risks and otherwise impact the performance of our portfolio. Some of the global coalitions and initiatives in which we participate are listed below.

<p><b><u>Task Force on Climate-Related Financial Disclosure</u></b></p> 	<p>In 2017, CalSTRS committed to engage at least 100 companies (20 per year for five years) and encourage them to provide better disclosure regarding climate risk in line with the recommendations of the Task Force on Climate-Related Financial Disclosure. The TCFD developed consistent voluntary climate-related financial risk disclosures for companies to use when providing information to investors.</p>
<p><b><u>Climate Action 100+</u></b></p> 	<p>CalSTRS is actively involved in Climate Action 100+, a collaborative engagement effort of more than 370 global investors—currently representing approximately \$41 trillion in assets under management—focused on the largest global emitters of carbon dioxide. The five-year effort centers around actions companies are taking, or plan to take, to manage and mitigate climate change risk.</p>
<p><b><u>Thirty Percent Coalition</u></b></p> 	<p>CalSTRS collaborates with the Thirty Percent Coalition, the California Initiative and the Cross-Border Coalition of 6 specifically to engage boards of companies with either no women or only one woman on their board.</p>
<p><b><u>Human Capital Management Coalition</u></b></p> 	<p>The Human Capital Management Coalition's goal is to elevate and emphasize human capital management as a critical component of a company's economic performance. As an active participant of the coalition, CalSTRS encourages companies to better disclose how they manage the demographics, composition, knowledge, motivation, skills and experience of their most valuable asset—their workforce.</p>
<p><b><u>Principles for a Responsible Civilian Firearms Industry</u></b></p>	<p>CalSTRS leads a coalition in supporting five principles that provide a framework for institutional investors seeking to improve engagement with global public and private companies that manufacture, distribute, sell or regulate products within the civilian firearms industry to address gun safety issues and reduce investment risk.</p>
<p><b><u>Investors for Opioid Accountability</u></b></p> 	<p>Investors for Opioid Accountability was established to engage with opioid manufacturers, distributors, treatment manufacturers and retail pharmacies on opioid business risks that have implications for long-term shareholders, communities and the broader economy. CalSTRS actively participates in IOA, which is a diverse coalition of institutional investors with 54 members representing \$3.5 trillion in assets.</p>
<p><b><u>Sustainability Accounting Standards Board</u></b></p> 	<p>CalSTRS is a member of the Sustainability Accounting Standards Board's Investor Advisory Group, which includes 44 global investors currently representing \$32 trillion in assets. Members share a common goal: seeking consistent, comparable and reliable disclosure of material, decision-useful sustainability-related information from the companies in which they invest to better evaluate and price ESG-related risks and opportunities.</p>

## CalSTRS reports

CalSTRS regularly publishes reports that outline our efforts around engagements and issues of interests. Some of these reports are listed below.

<a href="#"><u>CalSTRS Engagement Plan</u></a>	Each fiscal year, our CalSTRS Sustainable Investment and Stewardship Strategies staff, with input from the Teachers' Retirement Board, determines key engagement issues based on their link to long-term value creation.
<a href="#"><u>Green Initiative Task Force Report</u></a>	Established in 2007, the Green Initiative Task Force, known as the Green Team, identifies, analyzes and proposes environmentally focused investment opportunities and risk-control strategies. The team considers risks and opportunities related to issues such as carbon emissions, land use, water sourcing, mineral extraction and waste disposal.
<a href="#"><u>Diversity in the Management of Investments Report</u></a>	Diversity in the management of investments is interwoven throughout the CalSTRS Investments Branch business goals and is consistent with our objective to invest in strategies that enhance returns at a prudent level of risk.
<a href="#"><u>Low-Carbon Fact Sheet</u></a>	A summary of CalSTRS' low-carbon engagement history and the next steps in our transition to a low-carbon economy.

