NEXUS OF AI AND INNOVATION IN INSTITUTIONAL INVESTING, PENSION ADMINISTRATION, AND FINANCIAL SERVICES

Attachment(s): Attachment 1 – Jennifer Hall, Accenture

Attachment 2 – David Hefter, Blackrock

Attachment 3 – Matthew Katz, Blackstone

Attachment 4 – Randy Swanberg, State Street Bank

PowerPoint(s): None

This session is designed to help the Board hear from investment industry experts regarding the impact of Artificial Intelligence and Machine Learning (AI/ML). The continuous advancement of technology and vast volume of proprietary data amplifies our inherent competitive advantages in scale and expertise across the asset classes. AI and ML further empowers our staff to make data-driven investment decisions, adding value to the fund. When used correctly, these technologies could significantly enhance our ability to consume and analyze data, increasing efficiencies through automation and summarization. Investment staff who strategically implement AI/ML will have larger opportunity sets and be better positioned to develop further competitive advantages through accelerated data-to-insights capabilities.

This session will be moderated by Jennifer Hall, the managing director with Accenture's Sacramento Office and CalSTRS' principal innovation consultant, along with hearing from three investment subject matter experts in their respective areas.

Investments identified over 40 Generative AI use-cases that can significantly assist in ingesting, organizing, evaluating, and converting the unstructured data into usable decision-making information. To begin, Investment staff selected six of these use-cases to explore as proof of concepts. These cases were chosen for their high impact and low risk to our investment process and serve as steppingstones towards more permanent solutions for machine augmented processes aimed at driving better decision-making and improving operational efficiencies.

Following this information session, Jennifer Hall will facilitate a deeper discussion on AI at CalSTRS.