



Investment Committee

Item number 6 – Open session

Subject: Shared Vision – Building a Shared Vision

Presenter(s): Scott Chan and Geraldine Jimenez

Item type: Information

Date and time: May 27, 2026 – 30 minutes

Attachment(s): None

PowerPoint presentation(s): Building a Shared Vision

Item purpose

The Shared Vision is a strategic initiative designed to maintain CalSTRS' position as a top global allocator. Over the past decade, the Investment Office has outperformed its benchmarks with an 8.1% annual return while implementing a diversified asset allocation strategy that reduces risk and volatility. There are market forces at play that require CalSTRS to continue to evolve. The intent of the Shared Vision project seeks input from across the organization and from peer institutions to ensure CalSTRS has the resources, specialized expertise, and organizational agility that is needed to sustain strong performance over the next 10 years.

The Shared Vision project is a multi-phase initiative designed to position CalSTRS to align its investment strategy with long-term organizational goals. The project spans three major phases:

- Phase 1 – Listen and Engage, to gather insights from key audiences.
- Phase 2 – Review and Assess findings from Phase 1.
- Phase 3 – Vision and Strategy, which integrates these insights into recommendations with the goal of ensuring CalSTRS maintains its status as a top global allocator.

This structured approach ensures clarity, collaboration, and momentum toward a future-ready investment program anchored in CalSTRS' mission. As we transition to Phase 3 of the Shared Vision project, we will incorporate the learnings from Phases 1 and 2 into a foundation for developing the vision and strategy.

Executive summary

At the March Investment Committee meeting, staff updated the Board about the collective research and findings from Phase 1 and 2 of the Shared Vision project. Five themes emerged that captured CalSTRS' ambition to sustain its position as a top global allocator:

- **Mission-Driven Mindset:** Top global allocators benefit from a mission that creates conviction and focus.
- **World-Class Investors:** Top global allocators attract and retain talented investors with specialized capabilities.
- **Smart Execution:** Top global allocators leverage expertise, data, and technology to implement investment strategies.
- **Organizational Agility:** Top global allocators have organizations that dynamically respond to the changing investment landscape.
- **Partner of Choice:** Top global allocators are highly sought after business partners.

At the May Investment Committee meeting, staff will continue to discuss these themes and why evolution is needed as an organization. The discussion will center around the internal and external forces that require CalSTRS to adapt, and with the Board's input, explore areas for intentional evolution and a way to track success and measure progress.

Next Steps

The Shared Vision project is a structured, multi-phase effort to align CalSTRS around a long-term approach to ensure we maintain our status as a top global allocator. The framework is designed to ensure the Shared Vision project provides a clear strategy, leverages organizational strengths, and addresses constraints to meet the goal.

The next major steps are to align intentional areas for evolution and to establish a measurable goal for long-term performance of the total fund. This measurable goal should be ambitious but attainable over the next ten years. Discussions on the strengths, opportunities, and challenges will inform staff as we establish the long-term goals.

Strategic Plan linkage: <https://www.calstrs.com/strategic-plan> Goal 1B. Develop and launch the implementation of the Investment Branch's shared vision.

Board Policy linkage: N/A
