



California State Teachers' Retirement System  
Investments  
100 Waterfront Place  
West Sacramento, CA 95605  
916-414-7400

September 3, 2021

CFA Institute

RE: CFA Institute Draft Voluntary Diversity, Equity, & Inclusion Code for the Investment Profession in United States and Canada for Public Consultation (herein "Code"; July 2021).

Dear CFA Institute,

I write on behalf of the California State Teachers' Retirement System, CalSTRS. Established in 1913, CalSTRS is the largest educator-only pension fund in the world with a global investment portfolio valued at approximately \$308 billion as of June 30, 2021. As administrators of both a defined benefit plan and a defined contribution plan, our mission is to secure the financial future and sustain the trust of more than 975,000 Californian educators.

CalSTRS has been focused on diversity within investment management for over 20 years and continues to commit to setting best practice precedents, implementing innovative diversity, equity, and inclusion principles, and advancing change within the investment industry. We do this by establishing collaborative relationships including with the CFA Institute, across a vast network of investment managers, portfolio companies and industry associations, in order to maximize returns and leverage opportunities that can create positive impact throughout the industry.

Led by the CFA Institute, CalSTRS recently collaborated with a working group to develop the CFA Institute's Draft Voluntary Diversity, Equity, & Inclusion (DEI) Code for the Investment Profession in the United States and Canada for Public Consultation (herein "Code").

CalSTRS fully supports the Code as it sets DEI standards of implementation, reporting and monitoring within the investment industry. The Code outlines six Principles to drive greater DEI within the investment industry and is designed to foster a metrics-based commitment from signatories with the principles underpinned by the implementation guidance and reporting framework which requires annual reporting.

As large asset owners expand their efforts around DEI across the industry and underscore its importance for investment returns, the Code supports a fundamental call to action of disclosure, transparency and accountability practices needed to advance DEI for asset owners, investment managers and the overall investment space. Organizations should take a strategic

look at each of the elements of DEI, related goals and expect to engage in some challenging introspection along their DEI journey.

The Code is a tool that can support this effort and pioneer new metrics, assessment and models of investments while planting aspirational flags for peer investors to rally around – regardless of current level of DEI integration in its own portfolio. CalSTRS believes this will also foster momentum and impetus for investment managers, asset owners and other colleagues to push the needle and improve their approach to DEI. The Code will provide a DEI lens that will benefit the industry to develop a path to identify and remedy DEI integration shortfalls – followed by a controlled, organized set of key framing questions, internal discussions, and intentional thought processes.

CalSTRS supports CFA Institute’s efforts and are pleased to be a part of this collaborative project. Moreover, we look forward to continuing the efforts of DEI within the investment industry.

Sincerely,



Christopher J. Ailman  
Chief Investment Officer