New York State Teachers' Retirement System

Agenda

Risk Committee Meeting July 29, 2026

Committee Members
Ruth Mahoney, Chair
Donald A. Little III, Jennifer Longtin, Nicholas Smirensky, Mark Stratton

Risk Advisors
Sean Atkinson, Peter Cosgrove, Steven Huber

Call to Order by Chair

AGENDA p. 5

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM
10 CORPORATE WOODS DRIVE, ALBANY NY

Risk Committee Meeting

A meeting of the Risk Committee of the Retirement Board of the New York State Teachers' Retirement System was held at the System on April 29, 2026.

The following individuals were in attendance:

Committee Members: Donald A. Little III, Jennifer Longtin, Nicholas Smirensky, Mark Stratton

Board Members: Eric Iberger, David Keefe, Scott Levy, Natalie McKay

Risk Committee Advisors via MS Teams: Sean Atkinson, Peter Cosgrove, Steve Huber

NYSTRS' Staff: Thomas K. Lee, Don Ampansiri, Matt Tice, Matt Albano, John Rosenburg, Rick Jensen, Christia Edwards, Bruce Woolley, Vijay Madala, Kathy Ebert

Presenters: Jason Todd, Ferdinand Frimpong - Linea

The meeting was called to order by N. Smirensky, acting Chair at 8:30 a.m.

The following items were discussed:

1. Approval of the minutes of January 28, 2026

   Upon motion of D. Little, seconded by M. Stratton and unanimously carried, the meeting minutes of January 28, 2026 were approved.

2. Enterprise Risk and Compliance Update

   M. Albano provided an update on enterprise risk and compliance (Appendix A, pp. 3-11).

3. Investment Risk Key Risk Indicators and Investment Risk Report

   M. Tice and C. Edwards presented the key risk indicators report and the investment risk report (Appendix B, pp. 12-23).

Upon motion of D. Little, seconded by M. Stratton and unanimously carried, the Committee went into Executive Session at 8:44 a.m. to hear an information security update, results of security testing and a personnel update.

With unanimous consent, the meeting came out of Executive Session at 9:36 a.m.

4. Resolution Accepting Changes to the Business Continuity Plan 2026

Upon motion of D. Little, seconded by J. Longtin, and unanimously carried, the Committee voted to recommend the following resolution to the Board:

> RESOLVED, That the Business Continuity Plan, as presented to the Retirement Board reflecting changes through January 2026 is approved and accepted.

There being no further business, the Committee unanimously adjourned at 9:36 a.m.

Respectfully submitted,

[redacted]

Thomas K. Lee

New York State Teachers' Retirement System

Enterprise Risk and Compliance Update

Risk Committee: July 29, 2026

Matthew Albano, CFA, Chief Risk Officer

Matthew Tice, Director of Enterprise Risk

Regulatory Items Requiring Board Action

	Regulatory Item	Owner
July Meeting	Adopt the ECR	Actuary
	Approve the Signatory Authority List	Finance
	Adopt the Annual Investment Asset Allocation	Executive

	Regulatory Item	Owner
October Meeting	External Audit Report	Internal Audit
	Approve changes to IPM	Executive

- Period of ***April*** through ***June***: 56 required regulatory items were due, and all were completed by the responsible departments.

New York State Teachers' Retirement System

Investment Risk Update

Risk Management

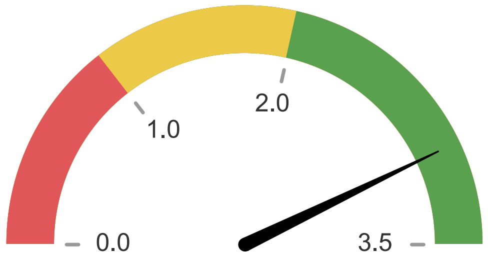
Risk Committee: July 29, 2026

Matthew Albano, CFA, Chief Risk Officer

Public Market data as of 5/31/2026; Private Asset data as of 3/31/2026

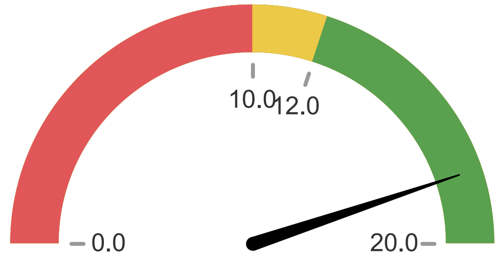
Liquidity Key Risk Indicators (as of 6/30/2026)

Short Term Liquidity KRI



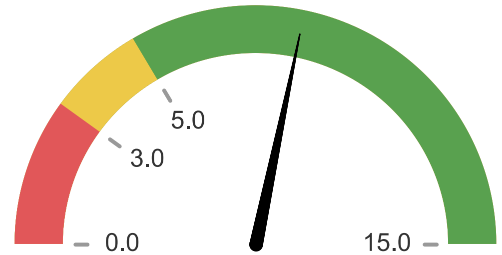
3.0 Months

Medium Term Liquidity KRI



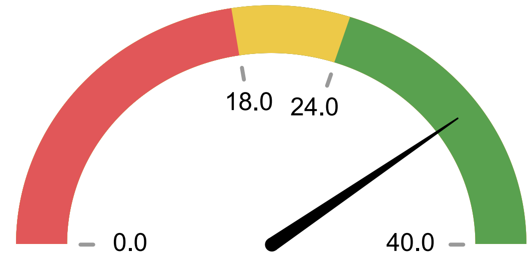
17.9 Months

Stressed Long Term Liquidity KRI



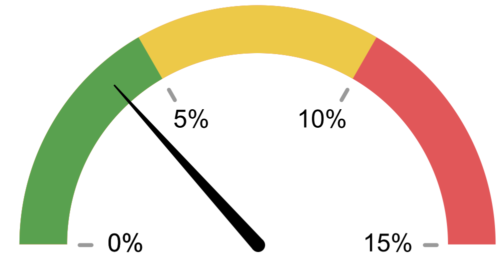
8.5 Years

Stressed Contingency Funding Liquidity KRI



32.0 Months

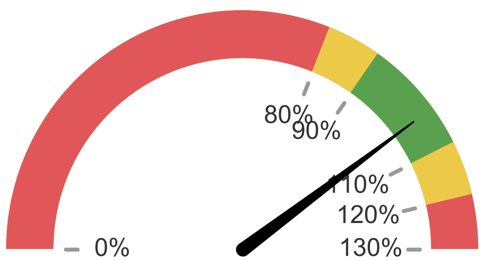
Net Benefit Payments as % of Assets



3.99%

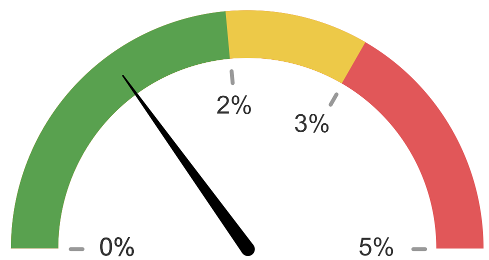
Unfunded Liability Key Risk Indicators (Valuation Date as of 6/30/2025)*

Funded Ratio: Market Value Assets



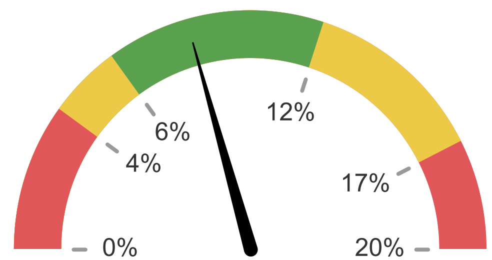
103.3%

ECR Volatility



1.35%

ECR Level



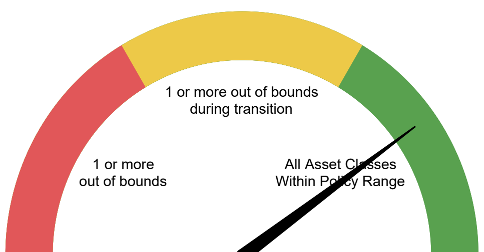
8.24%

Investment Risk - Report Summary

- All liquidity KRI's remain within risk appetite.
- Staff continues to meet weekly on asset allocation to monitor and address liquidity requirements.
- All asset classes were within their respective asset allocation ranges as of quarter-end.
- Total Plan Risk increased during the quarter to 10.74% from 10.33% due to recent market volatility.

Market Key Risk Indicator (as of 6/30/2026)

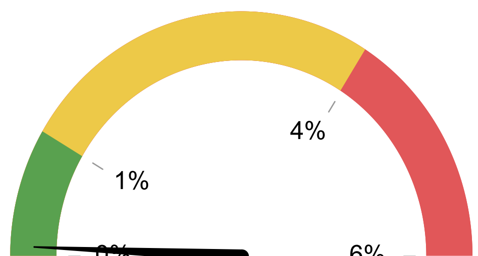
Asset Allocation



All Asset Classes within Policy Range

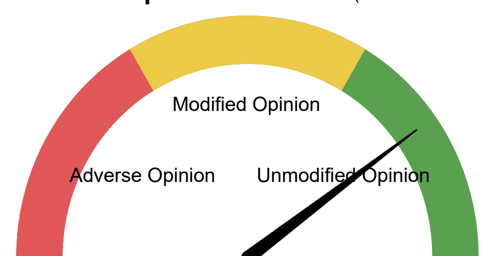
Actuarial Valuation Key Risk Indicators

Actuarial Valuation Audit (as of 11/11/2025)



0.08%

Annual Independent Review (as of 10/30/2025)

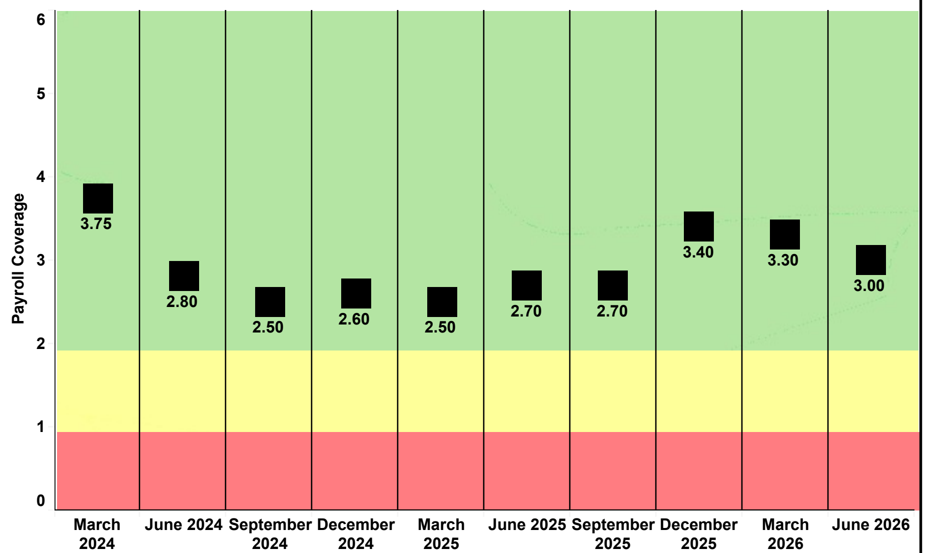


Unmodified Opinion

*Unfunded Liability KRI Data reflect preliminary estimates.

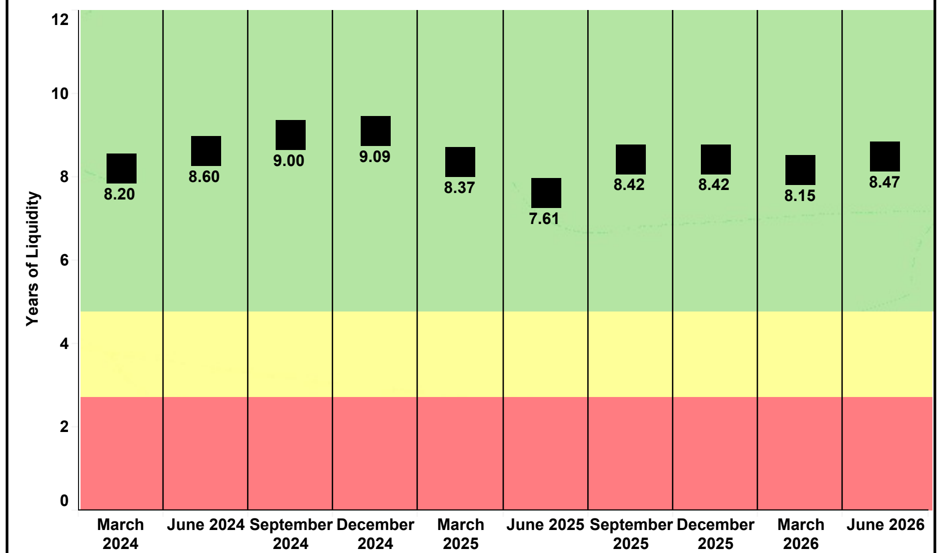
Liquidity Key Risk Indicators

Funding Liquidity - Short Term Payroll Coverage



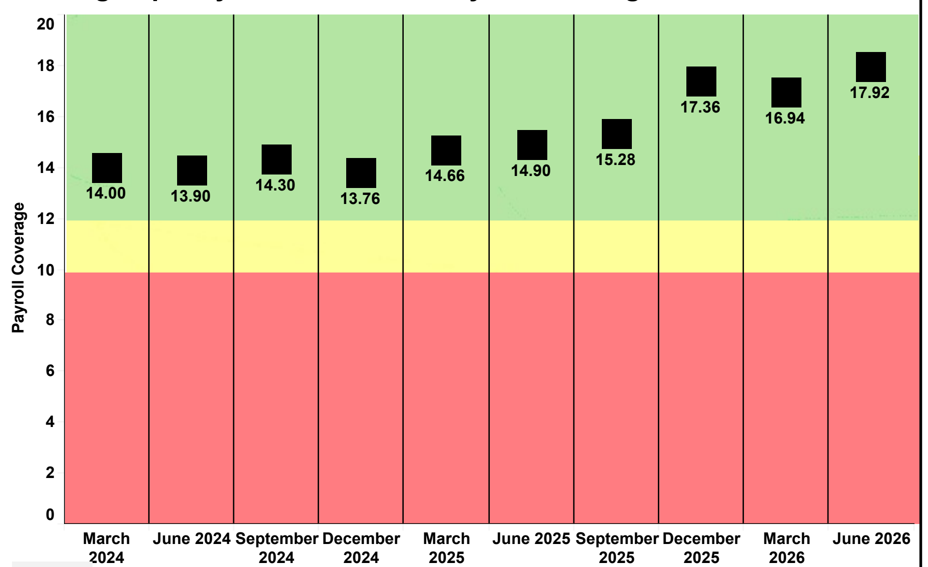
Short Term Payroll coverage calculates how many months of payroll we are carrying in cash.

Stressed Long Term Funding Liquidity - Allocation to Liquid Assets



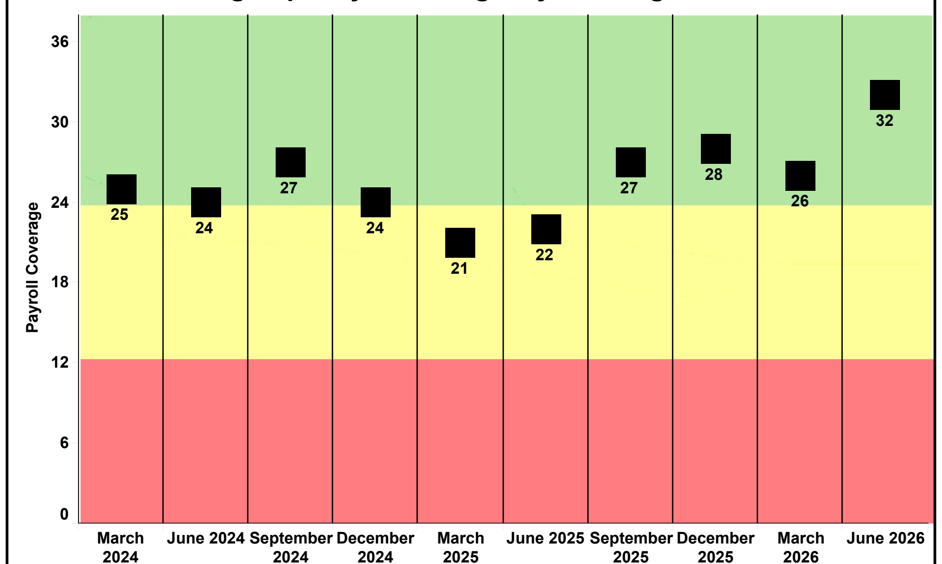
The Stressed Long Term Liquidity KRI assumes a hypothetical 40% portfolio loss, then calculates years of required cash flow coverage from remaining public market assets and 12 months estimated net cash flows (includes stressed projections for: portfolio income, employer contributions and unfunded capital calls).

Funding Liquidity - Medium Term Payroll Coverage



The Medium Term Payroll Coverage KRI seeks to evaluate how many months of payroll can be made using Cash and Domestic Fixed Income above it's minimum allocation bound. It also takes into account the projected income and ECR contributions over the next 12 months, offset by 25% of capital calls on unfunded commitments. Capital calls of 25% are indicative of a "non-stressed" market environment.

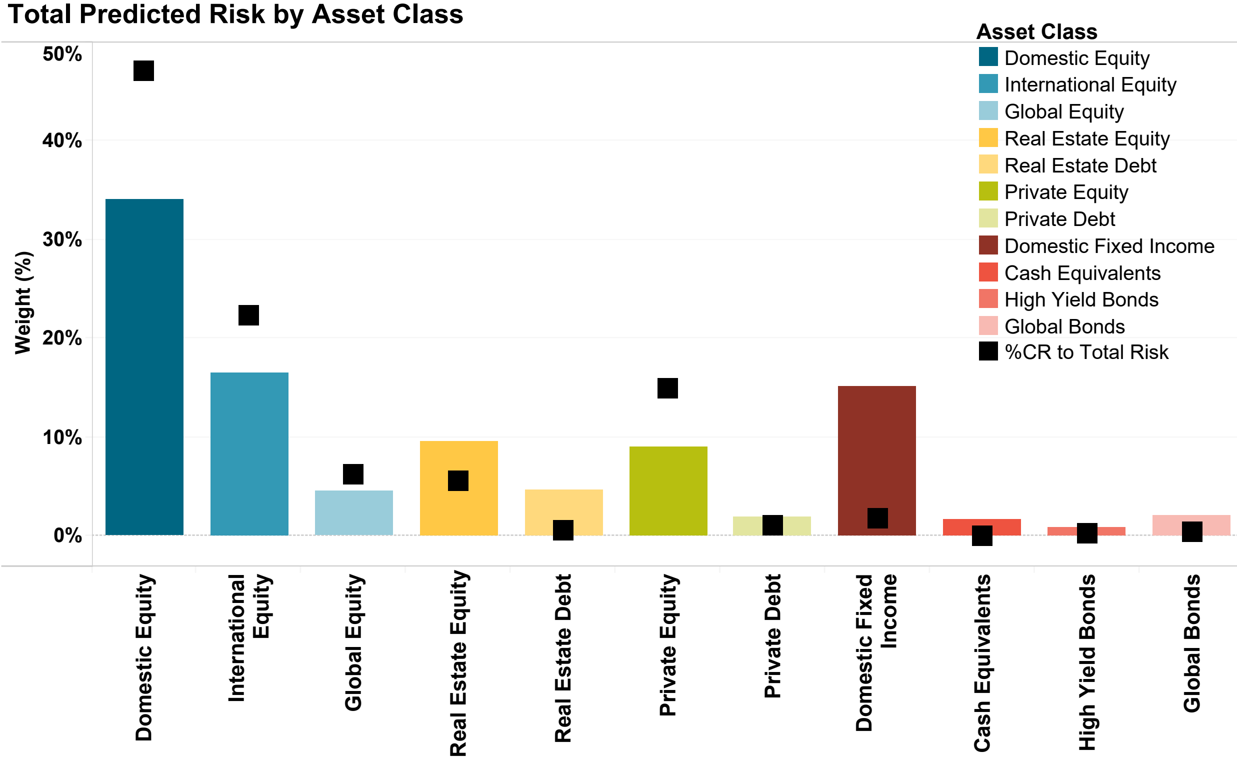
Stressed Funding Liquidity - Contingency Funding Plan



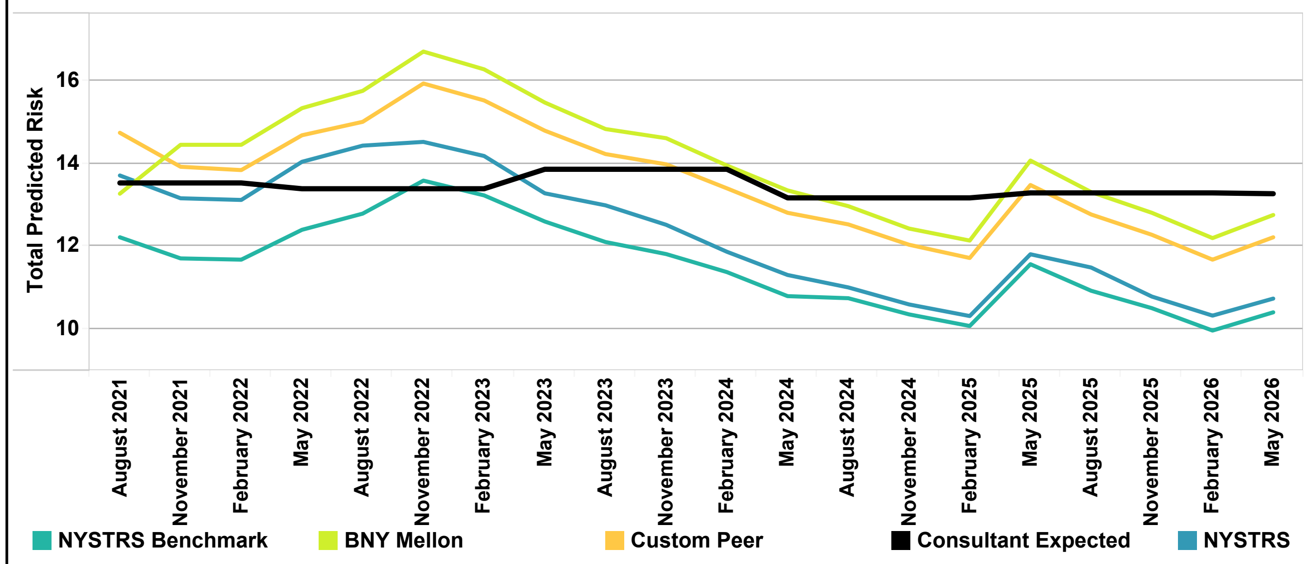
The Stressed Contingency Funding Liquidity KRI seeks to evaluate how many months of payroll can be made during a Global Financial Crisis (GFC) like scenario before NYSTRS' Contingency Funding Plan is triggered. GFC loss is modeled over 12 months with asset classes returning capital market assumptions years 2-5. Employer contributions are capped at 17%.

Observations:
Market volatility ticked up during the quarter, which caused total plan risk to increase to 10.74% from 10.33%. Equity investments continue to contribute the majority of total plan risk, with public equities asset classes contributing 75.6% of total plan risk.

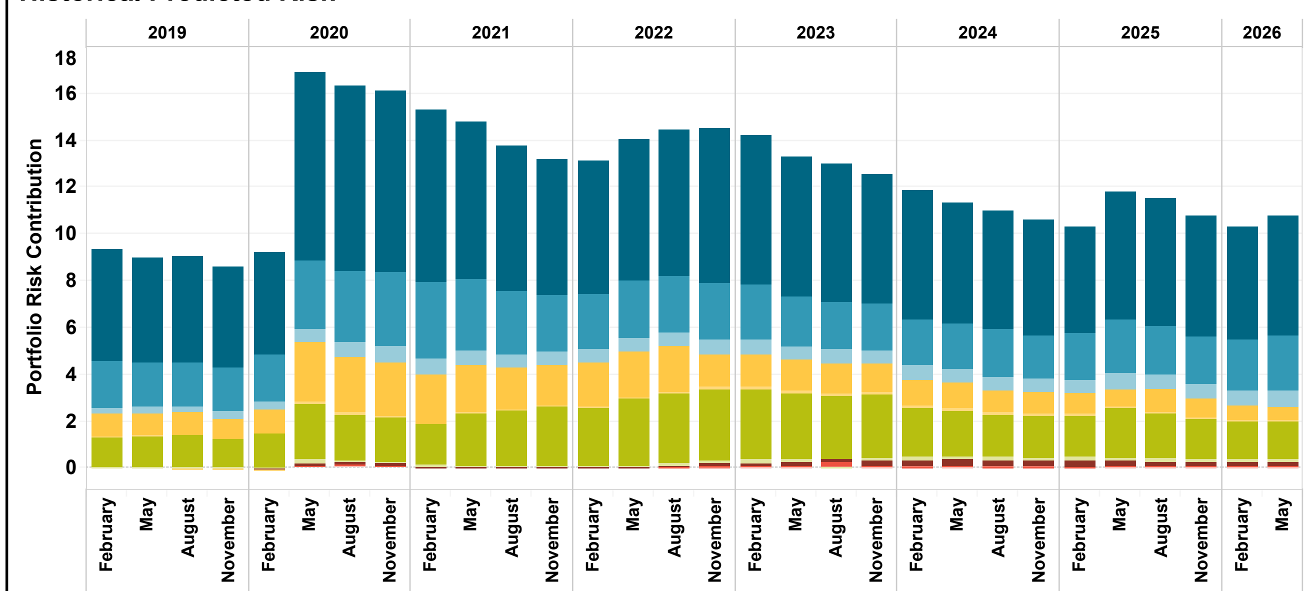
Total Predicted Risk by Asset Class



Peer Comparison

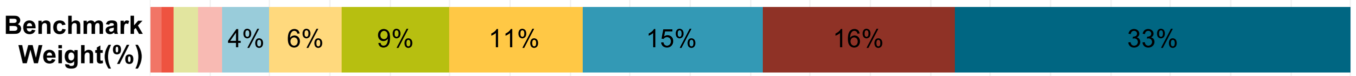


Historical Predicted Risk

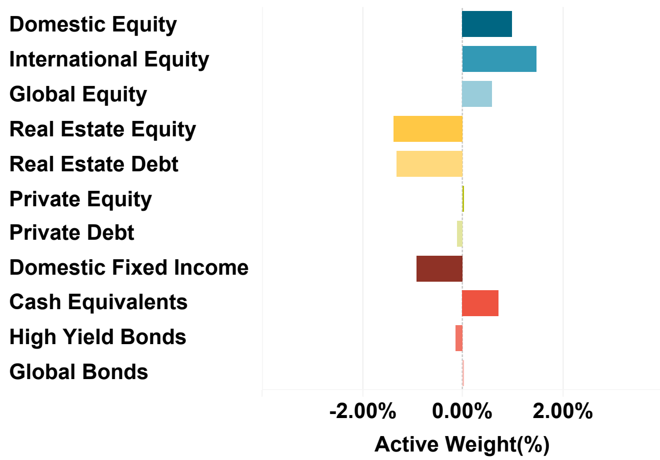


Asset Class	Weight (%)	%CR to Total Risk	Portfolio Risk Contribution	Total Risk
Total Plan	100.00%	100.00%	10.74	10.74
Domestic Equity	34.01%	47.12%	5.06	15.59
International Equity	16.47%	22.26%	2.39	16.13
Global Equity	4.59%	6.19%	0.66	14.90
Real Estate Equity	9.63%	5.57%	0.60	9.01
Real Estate Debt	4.68%	0.51%	0.05	2.77
Private Equity	9.01%	14.95%	1.61	22.60
Private Debt	1.89%	1.01%	0.11	7.01
Domestic Fixed Income	15.09%	1.80%	0.19	4.88
Cash Equivalents	1.74%	0.00%	0.00	0.05
High Yield Bonds	0.87%	0.23%	0.02	3.88
Global Bonds	2.03%	0.36%	0.04	4.53

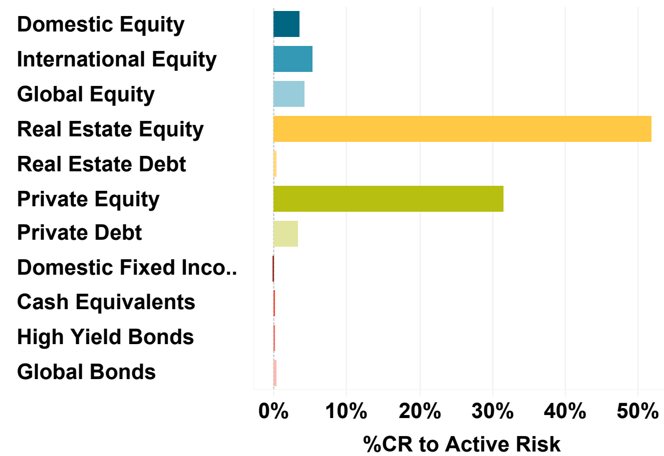
Asset Allocation



Active Weight



Active Predicted Risk Contribution



Asset Class
- Domestic Equity
- International Equity
- Global Equity
- Real Estate Equity
- Real Estate Debt
- Private Equity
- Private Debt
- Domestic Fixed Income
- Cash Equivalents
- High Yield Bonds
- Global Bonds
- Total Contribution by Quarter

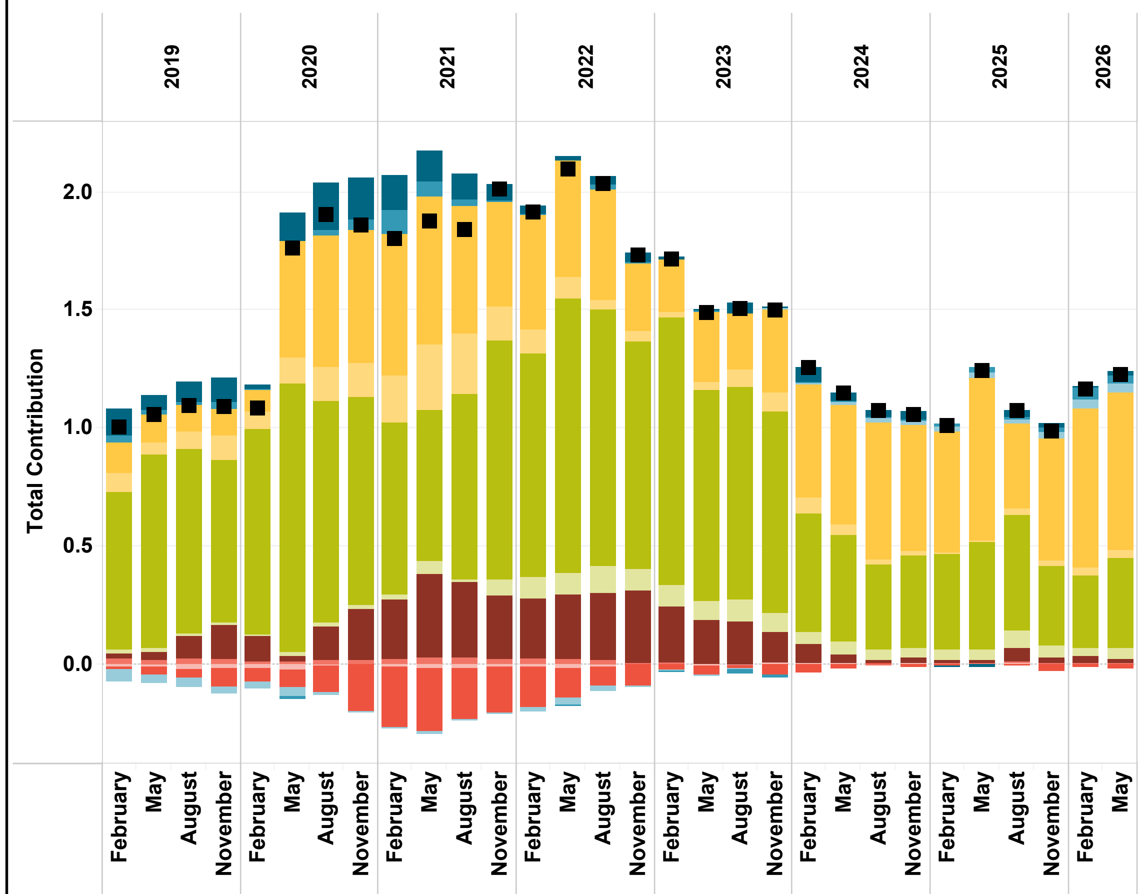
Active Predicted Risk:
Active Predicted Risk is defined as the expected volatility of excess returns, and results from differences between actual portfolio weights and holdings vs. policy weights and holdings. Excess returns may be positive or negative.

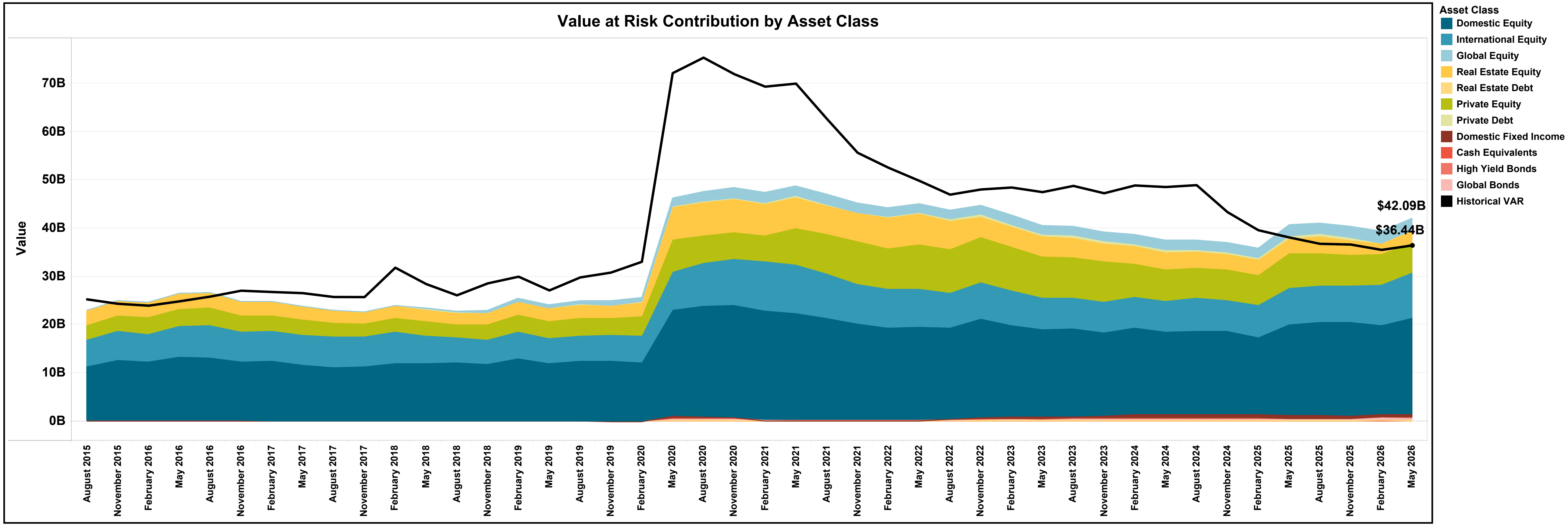
Active Risk for the Fund is largely controlled by limiting the difference between the actual and policy benchmark (target) weights for each asset class.

Benchmarking issues associated with private market portfolios also affect the measurement of 'active' risk. We see this most significantly with NYSTRS' private equity portfolio.

Asset Class	Weight(%)	Benchmark Weight(%)	Active Weight(%)	%CR to Active Risk	Total Contribution	Active Risk
Total Risk	100.00%	100.00%	0.00%	100.00%	1.23	1.23
Domestic Equity	34.01%	33.00%	1.01%	3.46%	0.02	0.09
International Equity	16.47%	15.00%	1.47%	5.40%	0.03	0.51
Global Equity	4.59%	4.00%	0.59%	4.21%	0.04	2.49
Real Estate Equity	9.63%	11.00%	-1.37%	51.81%	0.67	8.06
Real Estate Debt	4.68%	6.00%	-1.32%	0.39%	0.03	0.95
Private Debt	1.89%	2.00%	-0.11%	3.25%	0.04	4.28
Private Equity	9.01%	9.00%	0.01%	31.53%	0.39	7.32
Domestic Fixed Income	15.09%	16.00%	-0.91%	-0.20%	0.02	0.17
Cash Equivalents	1.74%	1.00%	0.74%	0.00%	-0.02	0.05
High Yield Bonds	0.87%	1.00%	-0.13%	-0.11%	0.00	0.35
Global Bonds	2.03%	2.00%	0.03%	0.26%	0.00	0.85

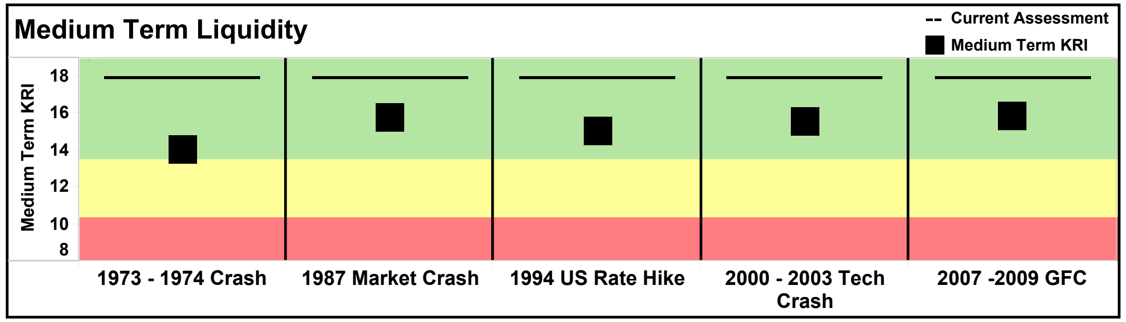
Historical Active Predicted Risk

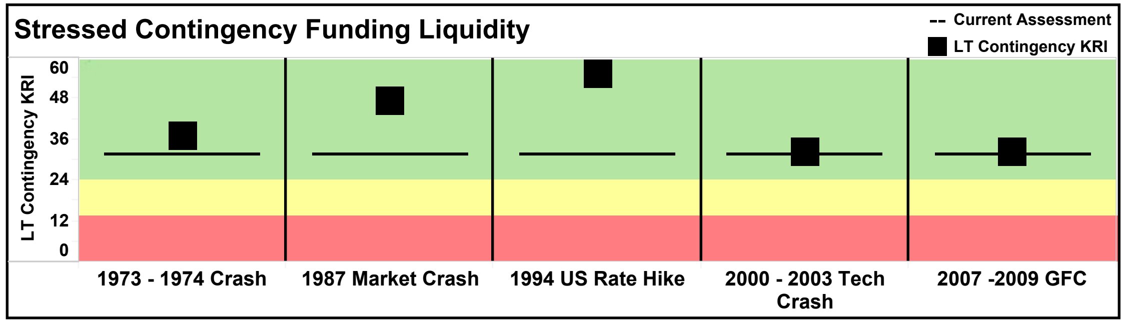


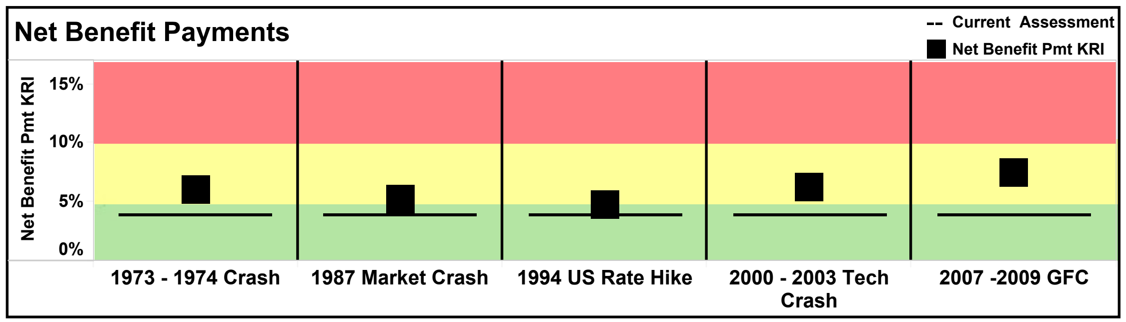


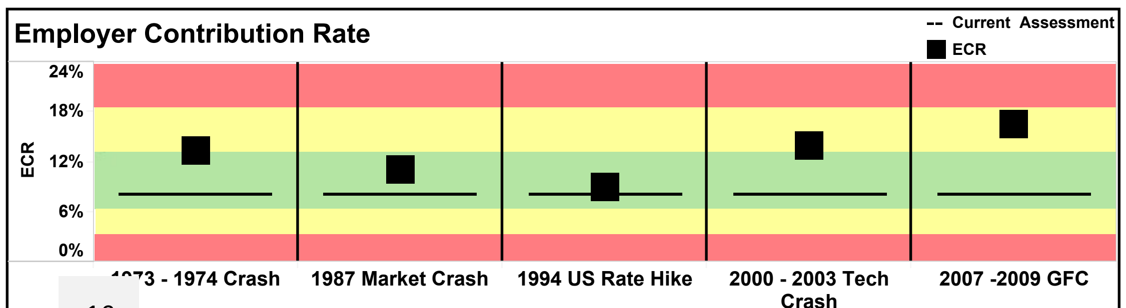
Portfolio Name	Total Portfolio VAR ($M)	Divesification Benefit	Contribution to VAR ($M)	(%)Contribution to VAR
Total Portfolio	$49,654	($7,567)	$42,088	100.00%
Domestic Equity	$20,781		$19,831	47.12%
International Equity	$10,410		$9,371	22.26%
Private Equity	$7,975		$6,291	5.57%
Real Estate Equity	$3,400		$2,345	14.95%
Global Equity	$2,679		$2,605	0.23%
Domestic Fixed Income	$2,888		$758	1.80%
Private Debt	$518		$151	0.00%
Real Estate Debt	$509		$214	0.51%
Global Bonds	$360		$427	1.01%
High Yield Bonds	$132		$95	6.19%
Ca uivalents	$3		$0	0.36%

Historical Scenario Analysis - Liquidity KRI









Scenario Analysis:
A scenario analysis seeks to determine how a portfolio may be affected by subjecting it to various historical or hypothetical market conditions. The charts to the left estimate how some of our liquidity KRI's would be impacted by the various historical scenarios.

Historical Scenarios:
The following historical scenarios apply market conditions experienced during their respective timeframes to NYSTRS' current portfolio over the course of a 1-year period. High level scenario inputs are provided below for context:

Historical Scenario	Date	Domestic Equity	UST Yields: 2y5y10y (bps)	Credit Spreads: AA/BB/CCC (bps)	Total Plan Loss
1973-1974 Stagflation & Rate Hikes	1/1/73 - 8/31/74	-34.50%	347	LIBOR 334	-23.45%
1987 Stock Market Crash	8/3/87 - 11/30/87	-26.39%	Unchanged	Unchanged	-12.53%
1994 US Rate Hike	1/31/94 - 12/13/94	-5.43%	162/152/131	2/36/0	-4.05%
2000 - 2003 Tech Crash & Recession	1/9/00 - 3/12/03	-46.42%	-488/-387/-281	-13/244/1151	-25.83%
2007 - 2009 Global Financial Crisis	9/30/07 - 3/4/09	-52.00%	-308/-226/-115	234/849/3779	-38.01%

Medium Term Liquidity KRI:
The top chart depicts how each historical scenario would impact funding liquidity after a one-time rebalance to target policy weights. Cash and Domestic Fixed Income coverage represents how much of each asset class could be used to make payroll before lower asset allocation bounds were breached and additional rebalancing was required.

Stressed Contingency Funding Liquidity KRI :
The second chart depicts how each historical scenario would impact the Stressed Contingency Funding Liquidity KRI. This KRI is a measure which seeks to evaluate how many months of payroll can be made during one of these scenarios before NYSTRS' Contingency Funding Plan is triggered.

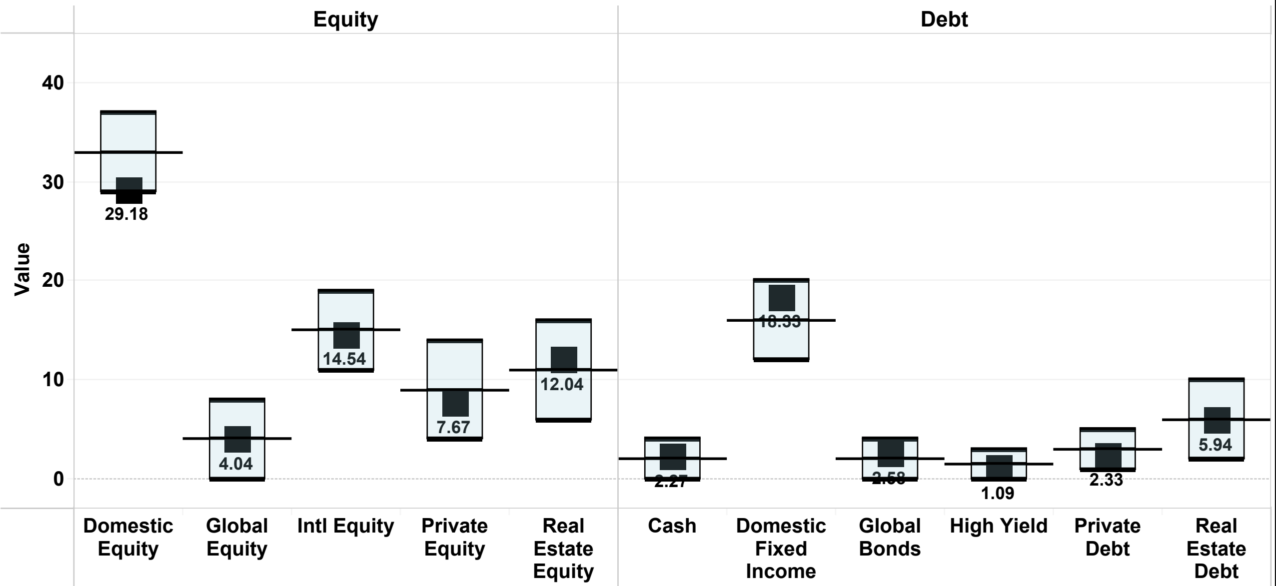
Net Benefit Payments as % of Assets:
The third chart depicts how each historical scenario would impact net benefit payments as a percentage of assets. Figures are representative of each scenarios market bottom and do not incorporate expected cash flows or market recovery.
(Net Benefit Payments=Annual Benefit Payments-Employer & Employee Contributions)

Employer Contribution Rate:
The bottom chart depicts how each historical scenario would immediately impact the Employer Contribution Rate (ECR) as a percentage of pay. Figures are representative of each scenario's market bottom and do not incorporate a market recovery. Note that absent a market recovery, the ECR would continue to increase in future years as the major asset loss continues to be smoothed in over the remainder of the five year smoothing period.

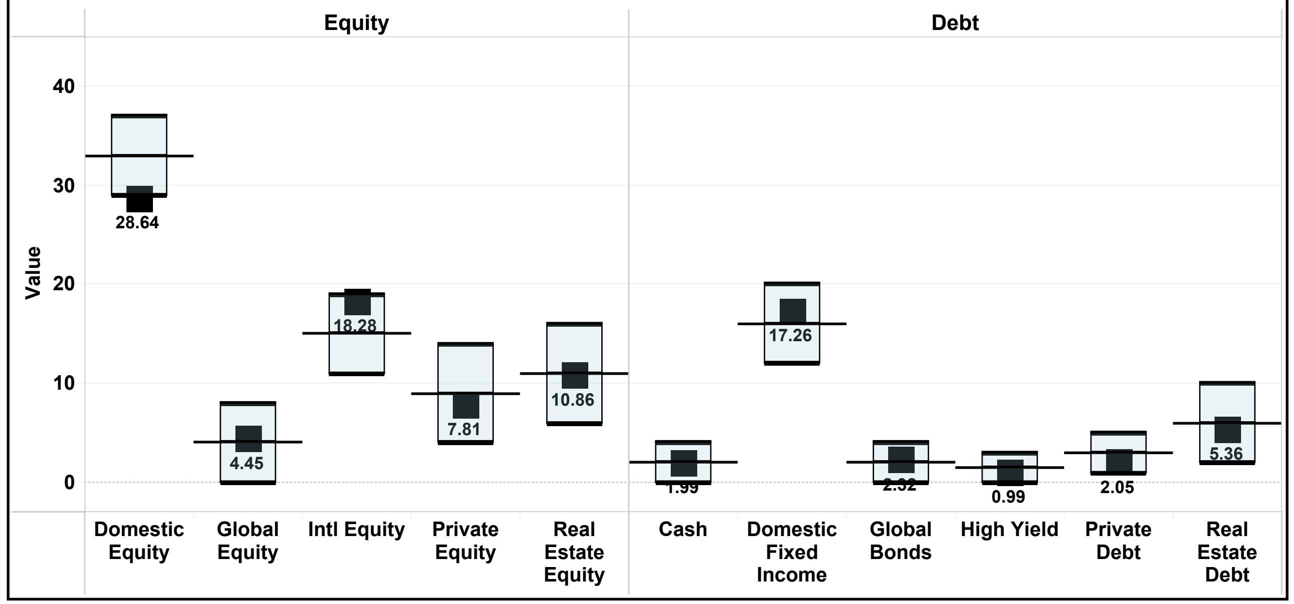
Scenario Analysis – Impact to Asset Allocation KRI

Data as of 6/30/2026

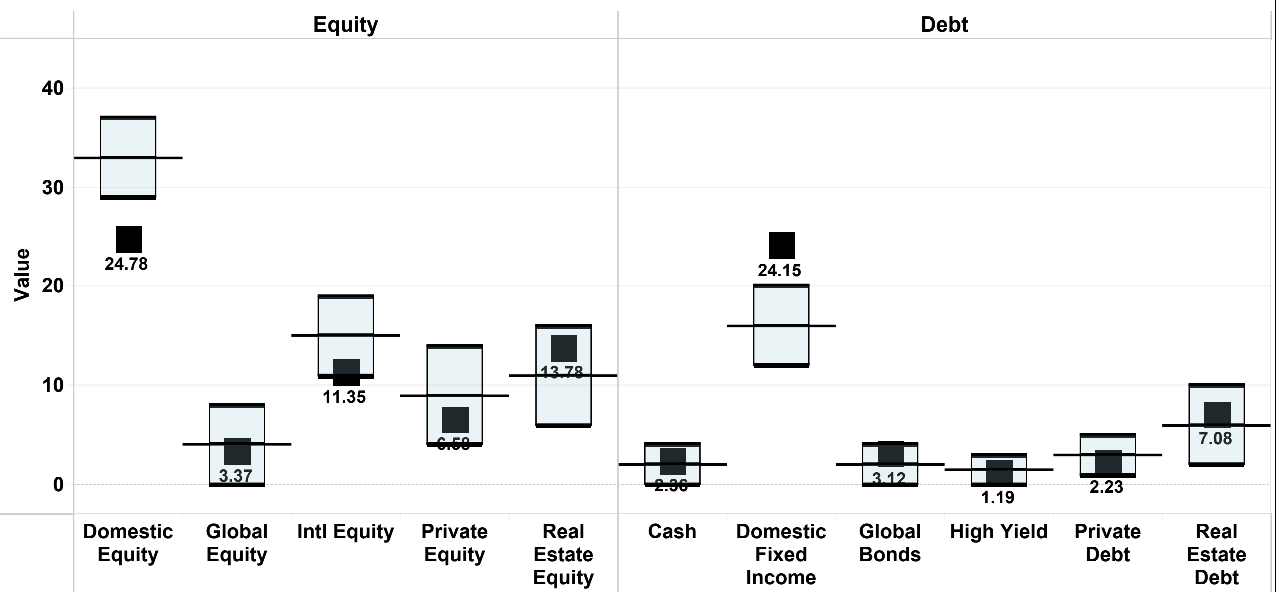
1973 - 1974 Stagflation & Rate Hikes



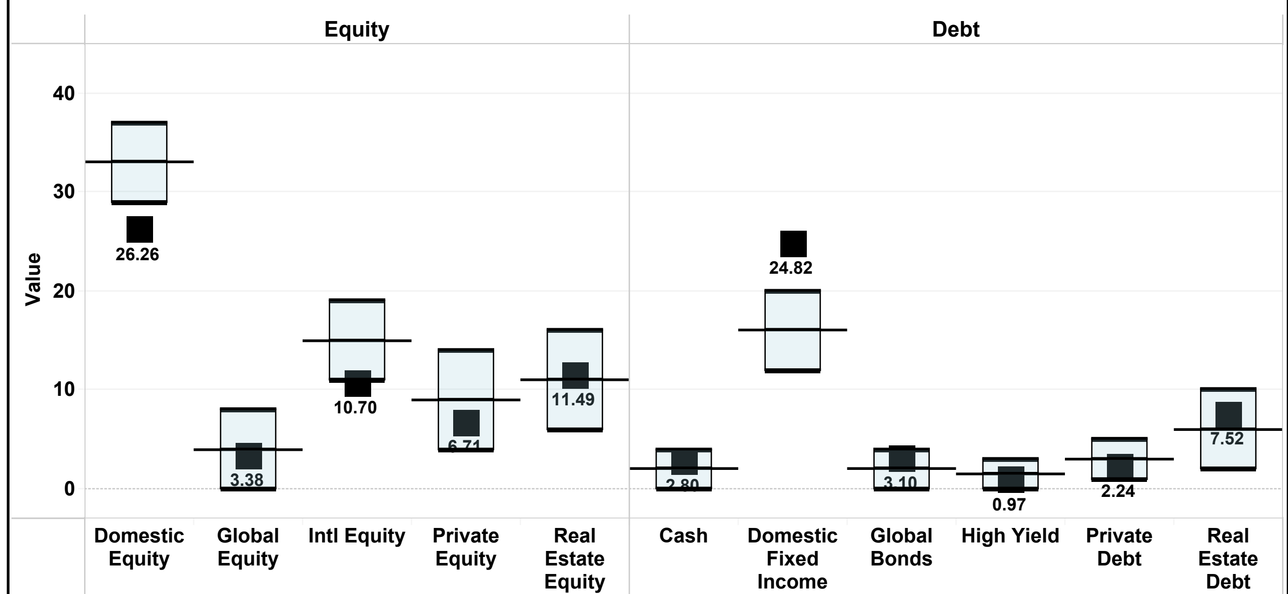
1987 Stock Market Crash



2000 - 2003 Tech Crash & Recession



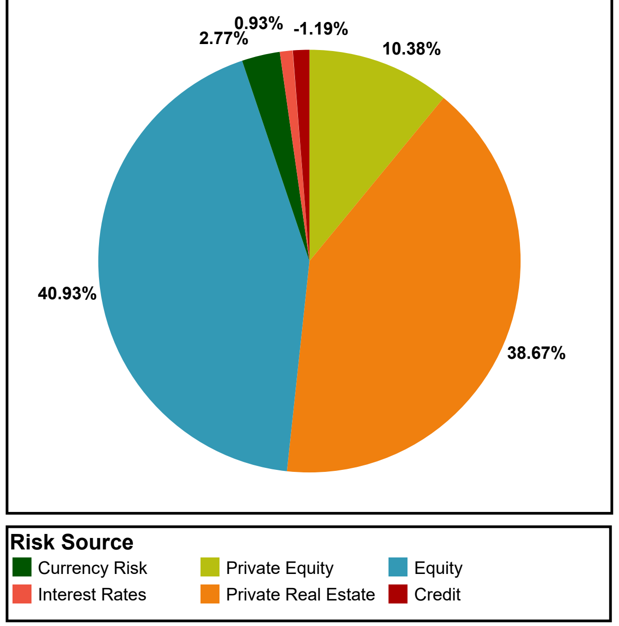
2007 - 2009 Global Financial Crisis



Predicted Risk by Risk Factor

Top 20 - Currency Total Exposure	
US Dollar	77.89%
Euro	4.66%
Japanese Yen	2.83%
British Pound Sterling	2.64%
New Taiwan Dollar	1.65%
Canadian Dollar	1.62%
Korean Won	1.49%
Hong Kong Dollar	1.30%
Australian Dollar	0.89%
Swiss Franc	0.88%
Chinese Yuan	0.85%
Indian Rupee	0.83%
Swedish Krona	0.44%
Brazilian Real	0.32%
Norwegian Krone	0.25%
Singapore Dollar	0.22%
South African Rand	0.17%
New Israeli Sheqel	0.16%
United Arab Emirates Dirham	0.11%
Mexican Peso	0.09%

Active Portfolio Risk Contribution

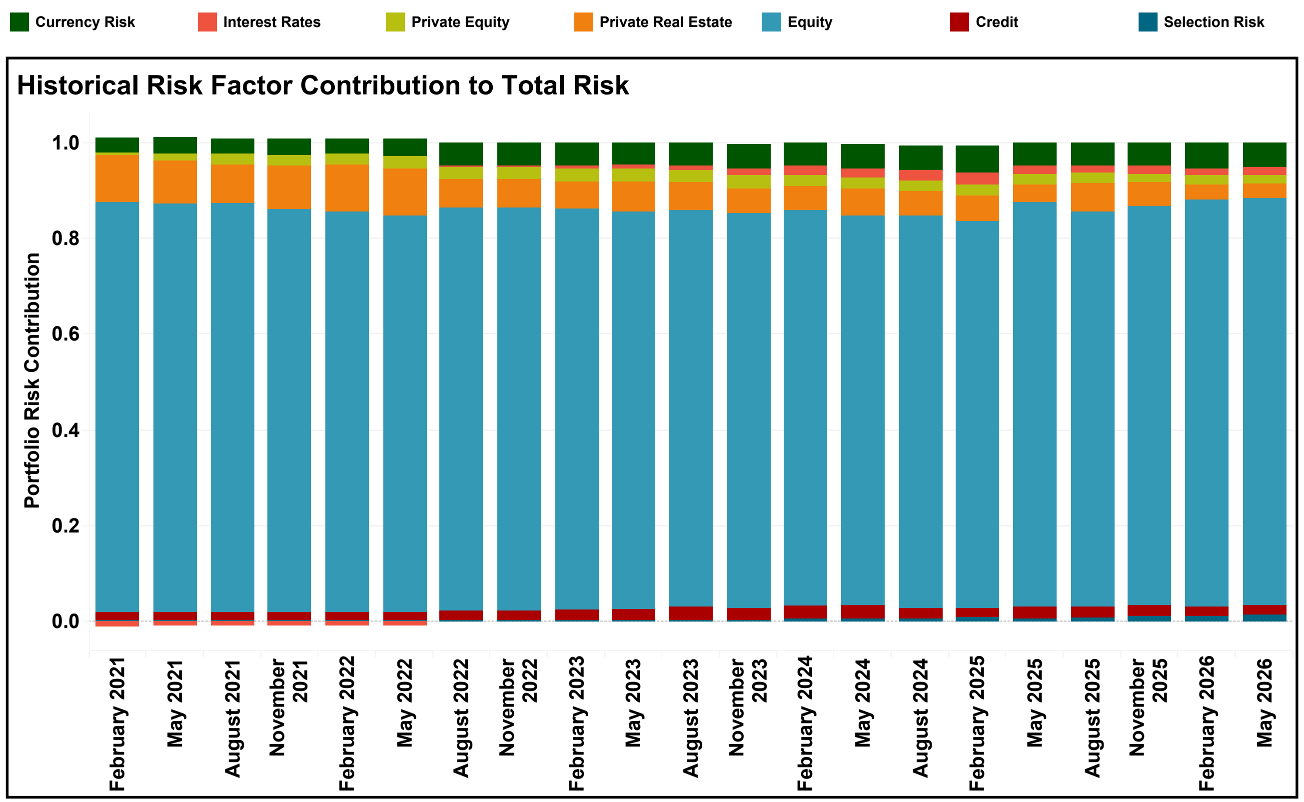


Risk Source	Portfolio Risk Contribution	Portfolio Risk Contribution (%)	Benchmark Risk Contribution	Benchmark Portfolio Risk Contribution (%)	Active Portfolio Risk Contribution(%)
Total Risk	10.74	100.00%	10.41	100.00%	100.00%
Local Market Risk	10.18	94.80%	9.95	95.54%	97.23%
Common Factor Risk	10.02	93.27%	9.78	93.90%	89.73%
Equity	9.12	84.93%	8.28	79.58%	40.93%
Interest Rates	0.18	1.64%	0.21	1.98%	0.93%
Credit	0.22	2.00%	0.25	2.42%	-1.19%
Private Equity	0.18	1.64%	0.10	0.97%	10.38%
Private Real Estate	0.33	3.05%	0.93	8.95%	38.67%
Selection Risk	0.16	1.53%	0.17	1.64%	7.50%
Currency Risk	0.56	5.20%	0.46	4.46%	2.77%

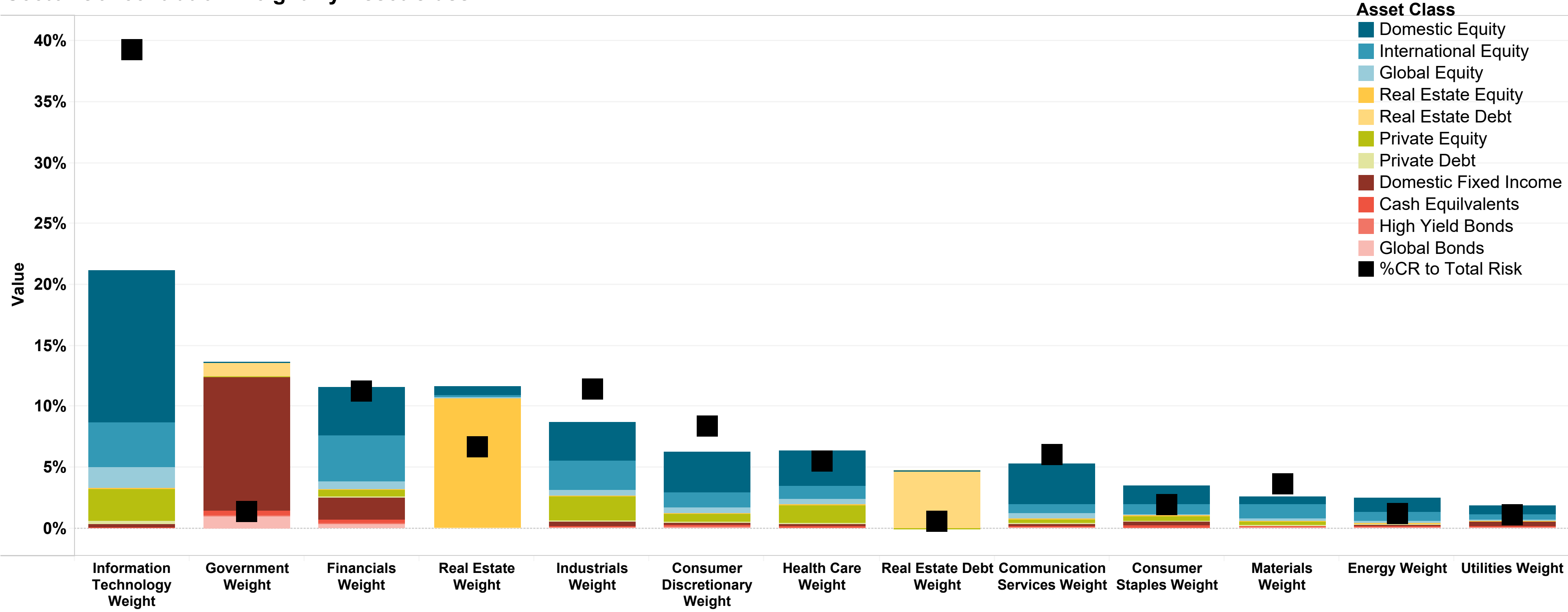
Risk Factors:
Risk factors are characteristics shared by a group of securities that influence their risk and return as well as their correlations. The five common factor risk groups used for this analysis (equity, interest rates, credit, private equity, and private real estate) can be further decomposed into underlying factors such as industry, style, interest rate term structure, and geography. Each factor has an expected volatility and correlation with the other risk factors. All of NYSTRS holdings are modeled according to their exposures to individual risk factors.

Observations:
Equity and Private Real Estate risk factors continue to contribute the majority of total plan risk.

Historical Risk Factor Contribution to Total Risk



Sector Concentration Weight By Asset Class



NYSTRS Sector	Market Value ($M)	Weight (%)	Portfolio Risk Contribution	(%) CR to Total Risk	Total Risk
Total Plan	$168,459	100.00%	10.74	100.00%	10.74
Information Technology	$36,535	21.69%	4.22	39.29%	21.73
Financials	$19,978	11.86%	1.20	11.21%	11.92
Government	$20,952	12.44%	0.14	1.32%	4.61
Real Estate Equity	$17,977	10.67%	0.71	6.65%	9.22
Industrials	$14,174	8.41%	1.22	11.38%	15.78
Consumer Discretionary	$10,690	6.35%	0.89	8.32%	16.48
Health Care	$10,974	6.51%	0.59	5.49%	13.18
Real Estate Debt	$7,892	4.68%	0.05	0.51%	2.77
Communication Services	$8,847	5.25%	0.65	6.01%	17.46
Consumer Staples	$5,901	3.50%	0.20	1.90%	9.84
Materials	$4,487	2.66%	0.39	3.63%	17.64
Energy	$4,404	2.61%	0.13	1.19%	16.05
U[illegible]	$3,081	1.83%	0.11	1.06%	10.65

Observations:
Sector contribution to risk is in line with expectations. Information Technology's contribution to total risk is now approaching 40% this quarter, primarily driven by a higher weight due to strong performance.

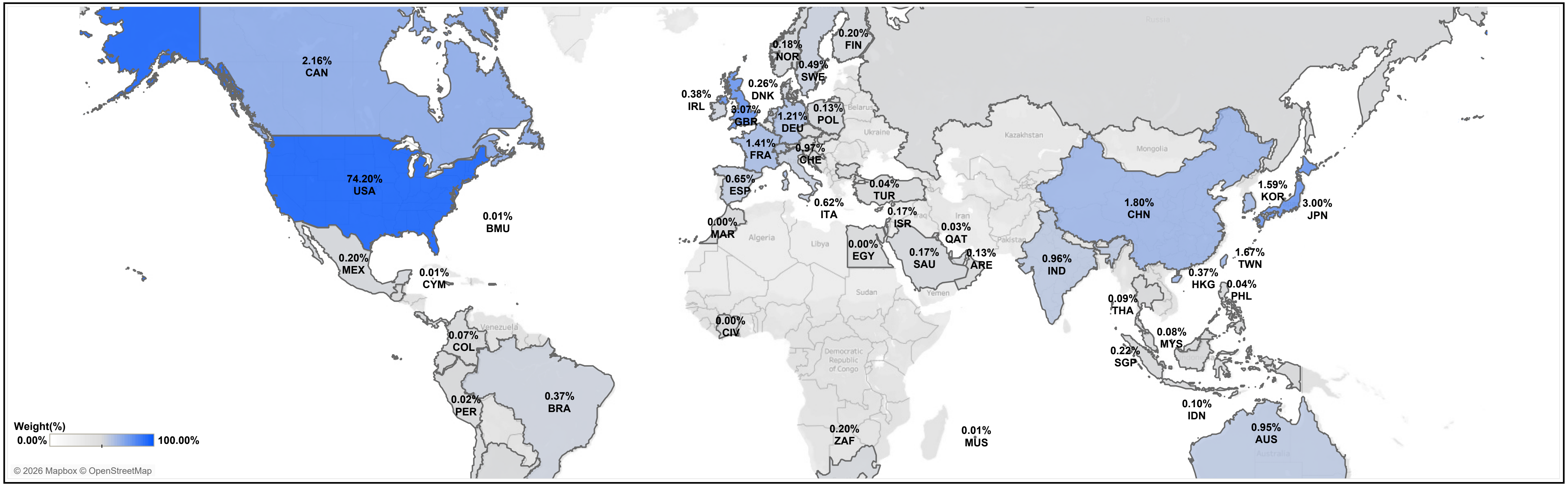
Sectors:
In developing the sector schedule, NYSTRS began with industry recognized sectors used by MSCI and S&P. Five custom sectors were added to this base to accommodate the Fund's allocation to Government, Real Estate Debt, Real Estate Equity, Cash and "Other" investments.

The bar chart representing weight for each sector was then further divided by asset class; with shades of blue denoting public equity asset classes, red denoting public fixed income asset classes, green denoting private equity and debt, and orange denoting real estate equity and debt.

Defensive sectors such as Utilities, and Consumer Staples tend to be more stable and less volatile regardless of the condition of the overall financial markets. Because these sectors are not highly correlated with the business cycle, they are also known as "non-cyclical". Cyclical sectors such as Consumer Discretionary and Materials tend to be correlated with the business cycle and can be more volatile than defensive sectors.

These characteristics can be seen in the chart. The risk contribution by the defensive sectors is less than their market value allocation and the risk contribution by the cyclical sectors is higher than their market value allocation.

Observations:
Total Developed and Emerging market regions remain within 1% of the benchmark. Note: Country of exposure is generally determined by the country of incorporation of the issuing company.



Geographic Region	Market Value ($M)	Weight (%)	BMK Weight (%)	Active Weight(%)	Portfolio Risk Contribution	(%)CR to Total Risk	Total Risk
Total Plan	$168,459	100.00%	100.00%	0.00%	10.74	100.00%	10.74
Total Developed	$154,441	91.68%	92.71%	-1.03%	9.58	89.21%	10.50
United States	$124,992	74.20%	79.14%	-4.95%	7.36	68.51%	10.14
Europe and Middle East	$18,018	10.70%	8.29%	2.41%	1.37	12.80%	14.75
Japan	$5,099	3.03%	2.44%	0.59%	0.38	3.51%	17.59
Pacific ex Japan	$2,697	1.60%	1.19%	0.42%	0.24	2.24%	18.55
Canada	$3,635	2.16%	1.65%	0.51%	0.23	2.15%	12.87
Total Emerging	$13,048	7.75%	6.76%	0.98%	1.14	10.60%	18.53
Asia	$10,661	6.33%	5.82%	0.51%	0.97	9.08%	20.33
EMEA	$1,147	0.68%	0.51%	0.17%	0.08	0.76%	16.24
Latin America	$1,240	0.74%	0.44%	0.30%	0.08	0.77%	17.01
Total Other	$968	0.57%	0.52%	0.05%	0.02	0.14%	4.77
Rest of the World	$593	0.35%	0.32%	0.03%	0.00	0.03%	2.92
Frontier	$375	0.22%	0.20%	0.02%	0.01	0.11%	10.28

Appendix:

Developed Markets			Emerging Markets			Frontier Markets		
Americas	EMEA	APAC	Americas	EMEA	APAC	Americas	EMEA	APAC
Canada USA	Austria Belgium Denmark Finland France Germany Ireland Israel Italy Netherlands Norway Portugal Spain Sweden Switzerland UK	Australia Hong Kong Japan New Zealand Singapore	Brazil Chile Colombia Mexico Peru	Czech Republic Egypt Greece Hungary Kuwait Poland Qatar Saudi Arabia South Africa Turkey UAE	China India Indonesia Korea Malaysia Philippines Taiwan Thailand	—	Bahrain Benin* Burkina Faso* Croatia Guinea-Bissau* Iceland Ivory Coast* Jordan Kazakhstan Kenya Mali* Mauritius Morocco Niger* Oman Senegal* Serbia Togo* Tunisia	Bangladesh Pakistan Sri Lanka Vietnam

Advanced Frontier Markets		
Americas	EMEA	APAC
	Estonia Latvia Lithuania Romania Slovenia	

Standalone Markets[1]		
Americas	EMEA[2]	APAC[3]
Argentina Jamaica Panama Trinidad and Tobago	Bosnia and Herzegovina Bulgaria Lebanon Malta Nigeria Palestine Ukraine Zimbabwe	—

For footnotes see: MSCI.com/market-classification

New York State Teachers' Retirement System

Investment Committee Meeting July 29, 2026

COMMITTEE MEMBERS
Nicholas Smirensky, Chair
Eric Iberger, David Keefe, Scott Levy, Jennifer Longtin, Ruth Mahoney

AGENDA pp. 22-23

Approval of Minutes

A. Approval of Minutes of April 29, 2026 Investment Committee Meeting pp. 24-30

PRESENTATIONS

A. StepStone Annual Private Equity/Debt Review pp. 31-55
B. [redacted] (Motion for **Executive Session** pursuant to Open Meetings Law Section 105(1)(f) to discuss financial history of a particular corporation) pp. 56-147

UPDATES

A. Investment Committee Executive Summary – C. Brown pp. 148-154
B. Managing Director Updates
   1. Fixed Income Update – A. VanDerwiel p. 155
   2. Real Estate Update – D. Gillan pp. 156-159
   3. Private Equity/Debt Update – G. Yahoudy pp. 160-164
   4. Public Equities Update – S. Schaufler pp. 165-166
      (Executive Session Public Equities - motion for **Executive Session** pursuant to Open Meetings Law Section 105 (1) (f) to discuss appointment, dismissal or removal of a particular person or corporation pp. 167-253)
C. Callan Update – pp. 254-275
D. Investment Policy Manual Restructure – E. Ekland pp. 276-278

INVESTMENT COMMITTEE ACTION REQUIRED

A. **Consent Agenda Recommendation Items A1 a-i** pp. 279-287
   1. Renew Agreements
      a. Advent Capital Management LLC p. 279
      b. Baillie Gifford Overseas Limited p. 280
      c. BlackRock Carbon Transition p. 281
      d. Blue Owl Real Estate Debt Advisors (Successor-in-Interest to Prima Capital Advisors) p. 282
      e. Dimensional Fund Advisors p. 283
      f. Heitman p. 284
      g. PIMCO p. 285
      h. T. Rowe Associates, Inc. p. 286
      i. William Blair and Company p. 287

2. Annual Review & ReAuthorization of Delegated Investment Authority
    a. Investment Discretion section of IPM - Redline pp. 288-295
    b. Resolution on Investment Discretion p. 296
3. Update to Statement of Investment Policy Redline Version – IPM pp. 297-324
4. Resolution on Investment Policy Manual Updates – Statement of Investment Policy p. 325
5. Resolution on Asset Allocation p. 326
6. [redacted]

Informational Reports

1. EDCIO Investment Discretion Report pp. 328-331
2. Mail Vote Quarterly Board Report p. 332
3. REAC Quarterly Transactions Board Report p. 333

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM

INVESTMENT COMMITTEE MEETING
April 29, 2026

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
10 CORPORATE WOODS DRIVE, ALBANY NEW YORK

A meeting of the Investment Committee of the Retirement Board of the New York State Teachers' Retirement System was held at the System on April 29, 2026.

Nicholas Smirensky, Chair, called the meeting to order at 9:36 a.m.

ATTENDANCE:

Investment Committee Members
Eric Iberger, David Keefe, Scott Levy, Jennifer Longtin, Nicholas Smirensky

Board Members
Phyllis Harrington (via MS Teams), Donald A. Little III, Natalie McKay, Mark Stratton

Staff
Thomas K. Lee, Gerald Yahoudy, Sandra Schaufler, Aaron VanDerwiel, Kevin Maloney, Margaret Andriola, Matt Albano, Han Yik, Emily Ekland, Melody Prangley, Christopher Brown, Christopher O'Grady

System Consultants
Callan – Tom Shingler, Kevin Machiz, Jay Kloepfer
Carlo Stadlinger, via MS Teams

StepStone – Scott Schwind, via MS Teams

Presenters: Raj Agrawal, Global Head of Real Assets; Bhavit Patel Managing Director, Head of East Coast Institutional Coverage; Chirag Goyanka Managing Director, East Coast Relationship Management – from KKR

Visitors: Anin-Kofi Addo, Independent Investment Analyst

Approval of Minutes

A. Approval of Minutes of January 28, 2026 Committee Meeting

There being no additions or corrections to the minutes of the January 28, 2026 Investment Committee meeting, the minutes were approved with a motion made by J. Longtin, seconded by E. Iberger and unanimously carried.

Presentations

A. Callan – System Asset Liability Review

T. Shingler, J. Kloepfer and K. Machiz from Callan reviewed the results and recommendations of the System's asset liability review (Appendix A pp. 7-26).

B. Overview of Infrastructure

R. Agrawal, Global Head of Real Assets at KKR presented an overview of infrastructure investments and facilitated a question and answer session.

Staff Updates

1. Investment Committee Executive Summary (Appendix B, pp. 27-)

The Committee adjourned at 11:48 a.m. to participate in the NYSTRS' Excellence Awards.

N. Smirensky presented the Significant Contribution to Excellence Award to Paris Hercamp and the Continual Contribution to Excellence Award to Michelle Gilchrist and Janelle Serritella.

The Committee went to lunch at noon.

The Committee reconvened at 1:00 p.m.

2. Fixed Income Update (Appendix C, p. 36-73)

In addition to the MD update, A. VanDerwiel gave a presentation on the Long Term Bond portfolio.

3. Real Estate Update (Appendix D, pp. 74-77)

4. Private Equity/Debt Update (Appendix E, pp. 78-92)

5. Public Equities Update (Appendix F, pp. 93-94)

S. Schaufler requested that the Committee enter into Executive Session pursuant to Open Meetings Law Section 105 (1) (f) to discuss matters that may lead to the appointment, dismissal or removal of a particular person or corporation. Upon motion of E. Iberger, seconded by D. Keefe and unanimously carried, the Committee went into Executive Session at 2:25 p.m.

With unanimous consent, the Committee came out of Executive Session at 2:56 p.m.

Policy Review and Action

A. Consent Agenda Recommendation Item 1 (Appendix G, pp. 95-96)

N. Smirensky, Chair, asked the Committee members if any of the consent agenda items should be moved to regular discussion items. Hearing no objections, the Committee proceeded to move the Consent Agenda items (item 1) with one motion:

Upon motion of J. Longtin, seconded by D. Keefe and unanimously carried, the Committee voted to recommend the following resolutions to the Board:

1. Renew Agreements

- Adelante Capital Management LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Adelante Capital Management, LLC**
NYSTRS Department:	Real Estate
Original Contract Date:	07/21/1998

Approved Renewal Period:	07/01/2026 – 06/30/2027
Mandate	
• Asset Class:	Real Estate Investment Trusts
• Account Benchmark	Wilshire U.S. REIT Index
• Active or Passive:	Active
• Account Inception Date:	08/01/1998

- Goldman Sachs Asset Mgt India Equity Strategy

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Goldman Sachs Asset Management, LP**
NYSTRS Department:	Public Equities
Approved Renewal Period:	7/5/2026 – 7/4/2027
Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI India IMI
• Active or Passive:	Active

- JP Morgan Chase Bank NA (Securities Lending)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**JPMorgan Chase Bank, N.A.**
NYSTRS Department:	Fixed Income
Approved Renewal Period:	**7/1/2026 – 6/30/2026**
Mandate	
• Asset Class:	Securities Lending

• Account Benchmark:	N/A
• Active or Passive:	Active

- LSV Asset Management

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**LSV Asset Management**
NYSTRS Department:	Public Equities
Approved Renewal Period:	7/25/2026 – 7/24/2027
Mandate 1	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active
Mandate 2	
• Asset Class:	Global Equities
• Account Benchmark:	MSCI ACWI Index
• Active or Passive:	Active

- Wellington Management Company LLP

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Wellington Management Company, LLP**
NYSTRS Department:	Fixed Income
Approved Renewal Period:	**06/20/2026-06/19/2027**
Mandate	
• Asset Class:	Fixed Income – Global Bonds

• Account Benchmark:	Bloomberg Global Aggregate Float Adjusted Ex-CNY Bond Index Hedged to USD
• Active or Passive:	Active

<u>Informational reports</u>

- The Committee reviewed the following informational reports: EDCIO Investment Discretion Report (Appendix H, pp. 97-100), Mail Vote Quarterly Board Report (Appendix I, p. 101) and REAC Quarterly Transactions Board Report (Appendix J, p. 102)

There being no further business and with unanimous consent, the meeting adjourned at 3:07 p.m.

Respectfully submitted,

[redacted]

____

Thomas K. Lee

STEPSTONE

NYSTRS

New York State Teachers' Retirement Board:

Private Equity & Private Debt Strategic Review

July 29, 2026

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All data is as of December 31, 2025, unless otherwise noted.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. ACTUAL PERFORMANCE MAY VARY.

V2406

Overview

I. 2027 Strategic Review – Private Equity and Private Debt

2027 Objectives, Portfolio Summaries & Recommendations

Objectives:

- Ensure appropriate commitment pace and any strategic enhancements given NYSTRS' liquidity position and unfunded private equity and private debt portfolios
- Within private equity, (i) increase long-term target exposure of Growth Equity from 10.0% to 15.0%, (ii) increase long-term target exposure of Other (e.g., co-investments / secondaries) from 10.0% to 15.0% to capture future exposure to direct co-investments, (iii) decrease long-term target exposure of Large/Mega Buyout from 15.0% to 10.0%, and (iv) decrease long-term target exposure of Small/Medium Buyout from 65.0% to 60.0%
- Within private debt, consider investments focused on capital solutions (non-standard loans) and asset-backed debt to augment returns and diversify the portfolio
- Changes reflect Staff's focus on internal co-investments and increased Growth Equity exposure

Portfolio summaries: (as of 12/31/25)

- The private equity portfolio has strong ITD performance of 12.6% and is slightly above the 9% target
- The private debt portfolio has strong ITD performance of 9.5% and is currently building towards the 2% target

2027 recommendations:

- We recommend a commitment pacing of $2.3B to $2.7B for private equity
- We recommend a commitment pacing of $900M to $1.3B for private debt

NYSTRS' Exposure Allocation - Detailed 2027 Strategic Review

PE Sectors	Actual Exposure	Long-Term Target	Actual vs. Target
Large/Mega Buyout	22.1%	10.0%	+12.1%
Small/Medium Buyout [(1)]	50.7%	60.0%	-9.3%
Total Buyout	**72.8%**	**70.0%**	**+2.8%**
Growth Equity	12.6%	15.0%	-2.4%
Other (Co-inv / 2nd)	14.5%	15.0%	-0.5%
Total	100.0%	100.0%	-

PE Geographies	Actual Exposure	Long-Term Target	Actual vs. Target
North America	81.5%	80.0%	+1.5%
Rest of World	18.5%	20.0%	-1.5%
Total	100.0%	100.0%	-

PD Sectors	Actual Exposure	Long-Term Target	Actual vs. Target
Direct Lending / Credit	63.8%	70.0%	-6.2%
Other Private Debt Strategies	36.2%	30.0%	+6.2%
Total	100.0%	100.0%	-

PD Geographies	Actual Exposure	Long-Term Target	Actual vs. Target
North America	98.3%	90.0%	+8.3%
Rest of World	1.7%	10.0%	-8.3%
Total	100.0%	100.0%	-

ual exposure as of December 31, 2025
:e: (1) Turnaround/Restructuring is now rolled into Small/Medium Buyout

II. Private Equity Portfolio Review

Private Equity Portfolio Review

Executive summary

- Over the last twelve months, the portfolio invested $1.4 billion and received distributions of $2.3 billion, resulting in net cash inflows of ~$910 million
- $15.1 billion of net asset value ("NAV"), or 9.3% of NYSTRS' total portfolio market value, as of December 31, 2025. This is above NYSTRS' target allocation of 9.0%
- Since inception, the portfolio has generated a net IRR of 12.6% and a DPI of 1.2x with additional gains in the unrealized value
- NYSTRS' private equity portfolio is mature and well diversified

NYSTRS - private equity portfolio

As of December 31, 2025, USD in millions

NYSTRS - Private Equity Portfolio	December 31, 2025	December 31, 2024	Yearly change
Number of Managers (ITD)	126	125	1
Number of Active Managers	56	54	2
Number of Funds/SMAs (ITD)	371	357	14
Number of Active Funds/SMAs	180	170	10
Committed Capital[1]	$37,494.1	$35,700.8	$1,793.3
Unfunded Commitment	6,233.9	5,491.3	742.6
Total Exposure	21,350.1	20,171.2	1,178.9
Contributed Capital	33,242.6	31,871.7	1,370.9
Distributed Capital	40,450.1	38,170.2	2,279.9
Market Value	15,116.1	14,679.9	436.2
Total Value	**$55,566.3**	**$52,850.1**	**$2,716.2**
Gain/(Loss)	22,323.6	20,978.4	1,345.2
DPI[2]	1.22x	1.20x	0.02x
TVM[3]	1.67x	1.66x	0.01x
Net IRR[4]	**12.6%**	**12.7%**	**~(10 bps)**

1. Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.
2. DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.
3. TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is ıprised of Market Value plus Distributed Capital, divided by Contributed Capital.
RR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried ːrest.
ːt performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

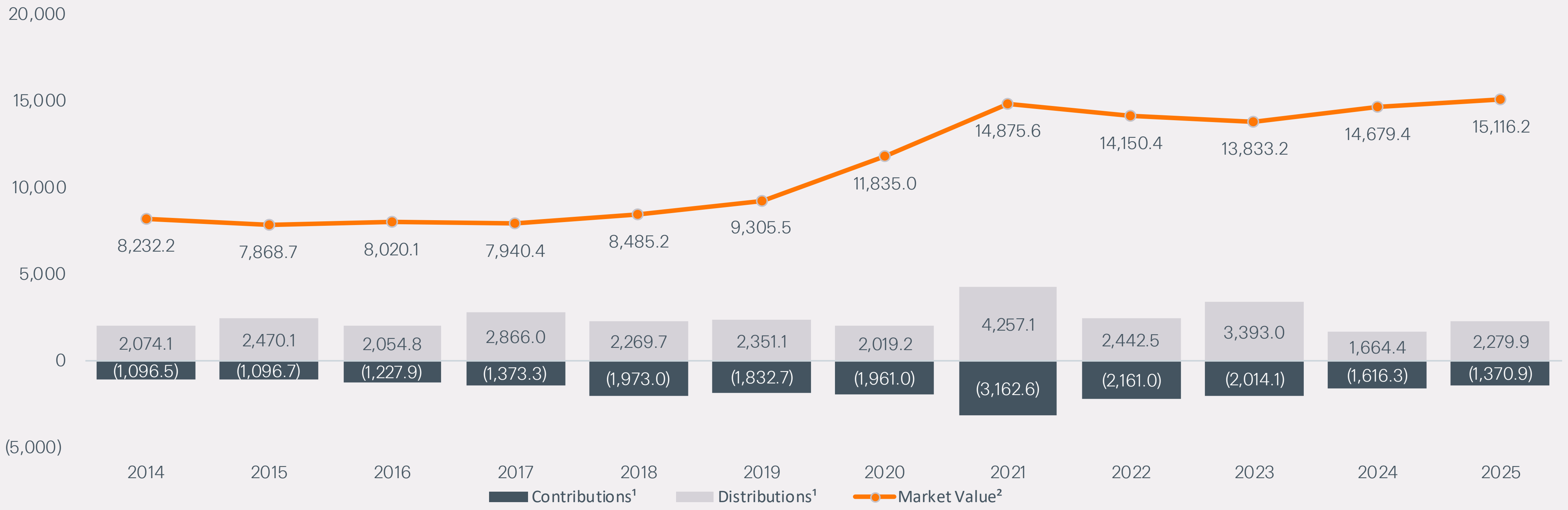
Annual Cash Flow

Over the past 12 years, NYSTRS' PE portfolio has recorded a total of ~$21 billion in contributions and ~$30 billion in distributions, resulting in a total positive net cash flow of ~$9 billion. Total since inception net cash flows are +$7.2 billion.

Cash flow data includes proceeds from secondary sales in 2019, 2021 and 2023.

Annual contributions and distributions

As of December 31, 2025, USD in millions



1. Contributions and distribution data reflect cash flow activity within the given calendar year
2. Market Value data above reflects NYSTRS' Year-End Total Market Value for the calendar year
Past performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

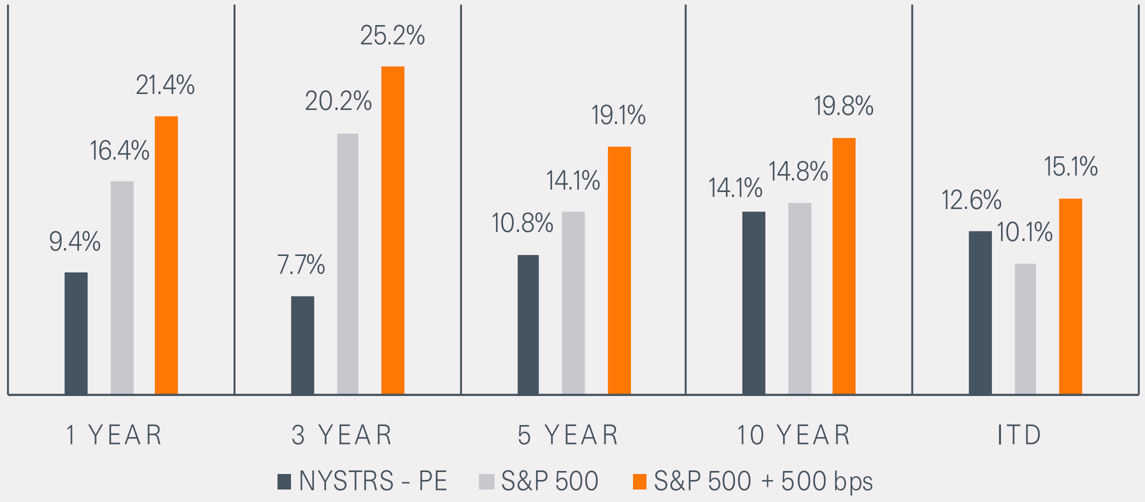
Private Equity Performance

As of December 31, 2025, NYSTRS' PE portfolio has outperformed public markets but underperformed its policy benchmark since inception

Over the last 12 months, the private equity portfolio produced a total net IRR of 9.4% that underperformed the policy benchmark (S&P 500 + 500 bps)

Benchmark comparison

As of December 31, 2025



Benchmark (%) Comparison						
	1 Year	3 Year	5 Year	10 Year	ITD	TVM
NYSTRS - PE	9.4%	7.7%	10.8%	14.1%	12.6%	1.7x
S&P 500	16.4%	20.2%	14.1%	14.8%	10.1%	N/A
S&P 500 + 500 bps	21.4%	25.2%	19.1%	19.8%	15.1%	N/A

The Implied PME, based on the Direct Alpha calculation of performance of the private market investment to the stated index as of the measurement date, subtracts/adds the out/underperformance from the net IRR.

Past performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses. The referenced indices are shown for general market comparisons and are not meant to represent any particular fund. An investor cannot directly invest in in private market index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented. The public market index comparisons are being provided solely for informational purposes as an indication of returns that could be earned by investors by making similar investments in the index and should not relied upon for any purpose.

2027 Strategic Review - Private Equity

Strategy

- Continue to emphasize buyouts; particularly the small and mid-market sector
- Continue focus on sector-focused funds that have operational capabilities or enhanced deal flow
- Continue to emphasize commitments to North American managers
- Explore adding additional exposure to Growth Equity managers
- Utilize customized SMAs for specific exposures (i.e. emerging manager program)
- Continue direct co-investment program

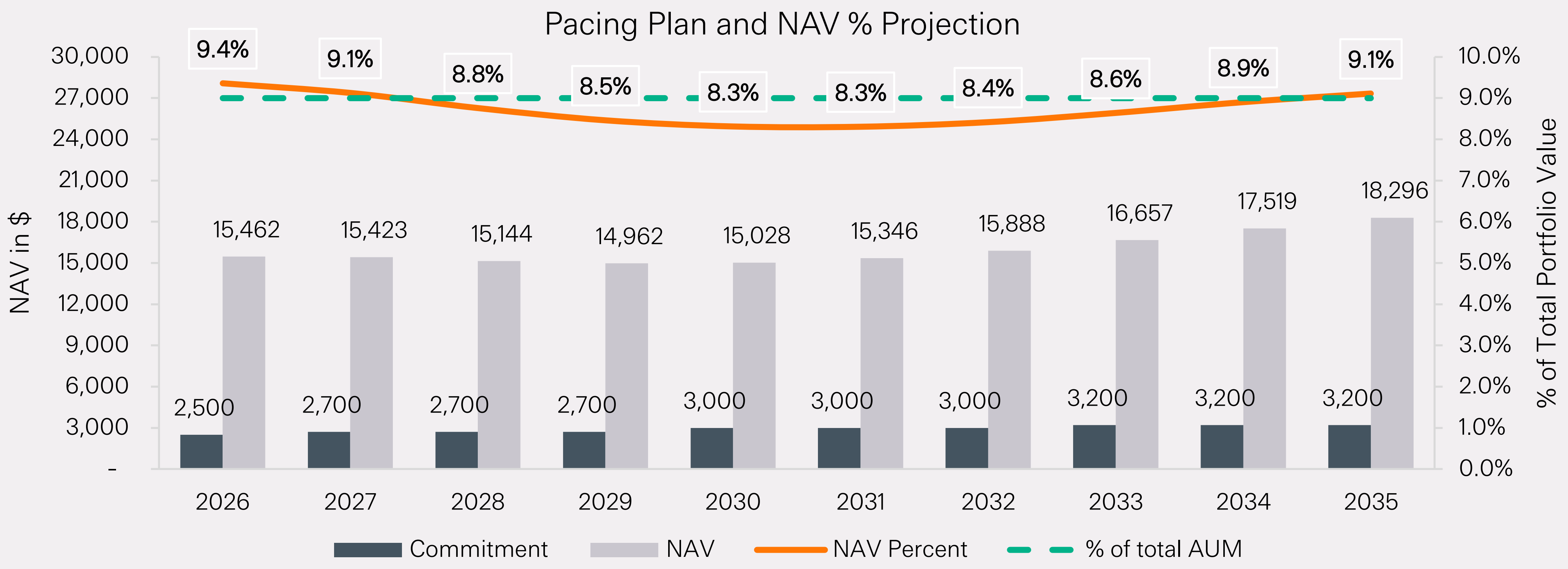
	2020	2021	2022	2023	2024	2025	2026	2027
Market value as % of total portfolio								
Plan	8% target 3-13% policy range	8% target 3-13% policy range	8% target 3-13% policy range	9% target 4-14% policy range	9% target 4-14% policy range	9% target 4-14% policy range	9% target 4-14% policy range	9% target 4-14% policy range
Actual	8.7%	9.9%	11.0%	9.5%	10.0%	9.3%	9.3%[1]	N/A[1]
Commitments								
Plan	$2.0B - $2.4B	$2.0B - $2.4B	$2.0B - $2.4B	$1.2B - $1.7B	$1.6B - $2.0B	$1.8B - $2.2B	$1.8B - $2.2B	$2.3B - $2.7B
Actual	$2.4B	$2.3B	$1.6B	$1.1B	$1.5B	$1.8B	$714M YTD *(approved)*	N/A

AV data is as of 12/31/2025, we are not able to provide actual market value as % of portfolio data for 2026 or 2027 at this time

Private Equity Pacing Model: Commitment & NAV

- At the end of 2026, the portfolio is expected to be at approximately 9.4%, which is slightly above the 9% target

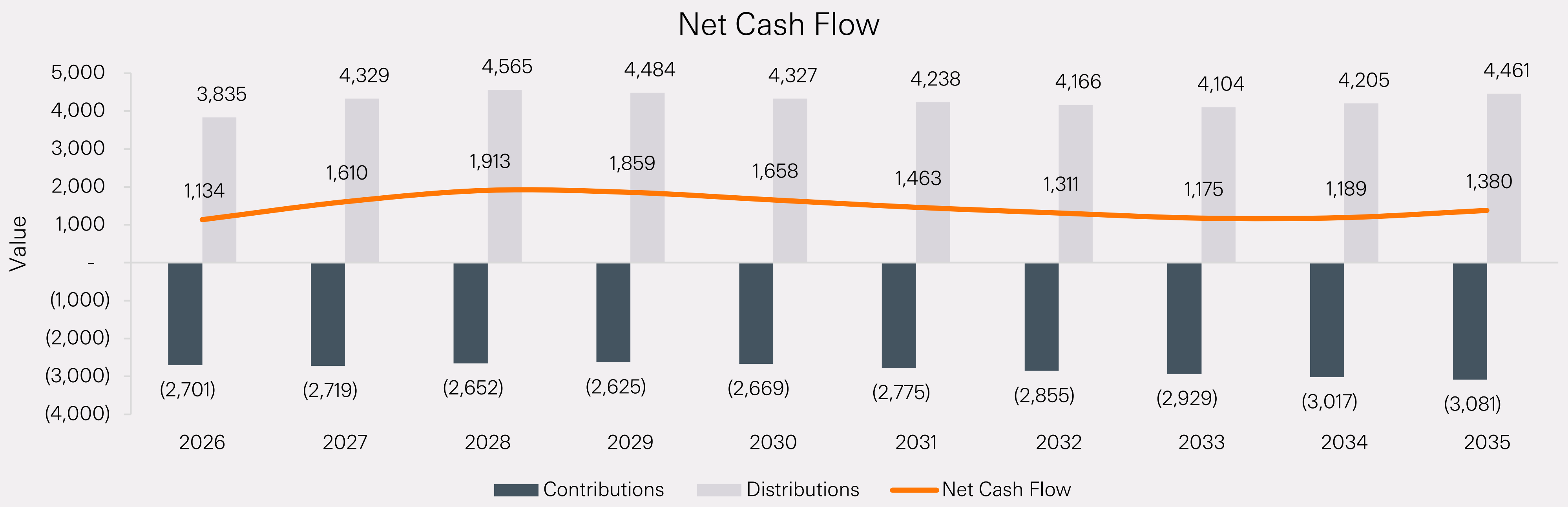
- Steady increases in commitments from $2.5B to $3.2B over the next decade should keep PE close to target allocation



Data as of December 31, 2025. Cash Flow Models are provided solely for illustrative purposes. There can be no assurance that actual cash flows will resemble the model presented on this e or that the investment will achieve its objectives or avoid substantial losses. Cash flow patterns will vary depending on the activities of the underlying investment. This is a simplified mple and may not reflect the actual performance of the investment. Please let us know if you would like to see a cash flow analysis based on assumptions other than those used in analysis.

Private Equity Pacing Model: Net Cash Flows

The private equity portfolio should remain cash flow positive or self funding through 2035 based on the current assumptions



Data as of December 31, 2025. Cash Flow Models are provided solely for illustrative purposes. There can be no assurance that actual cash flows will resemble the model presented on this e or that the investment will achieve its objectives or avoid substantial losses. Cash flow patterns will vary depending on the activities of the underlying investment. This is a simplified mple and may not reflect the actual performance of the investment. Please let us know if you would like to see a cash flow analysis based on assumptions other than those used in ; analysis.

III. Private Debt Portfolio Review

Private Debt Portfolio Review

Executive summary

- Over the last twelve months, the portfolio invested $937.2 million and received distributions of $631.5 million, resulting in net cash outflows of $305.7 million
- Private debt portfolio represents $3.1 billion of Net Asset Value ("NAV"), or 1.9% of NYSTRS' total portfolio market value, as of December 31, 2025. This is below NYSTRS' target allocation of 2.0%
- Since inception, the portfolio has generated a net IRR of 9.5%
- Moderate yearly decline in internal rate of return as of December 31, 2025 due to significant capital deployment to new commitments during 2023 and 2024

NYSTRS - private debt portfolio

As of December 31, 2025, USD in millions

NYSTRS - Private Debt Portfolio	December 31, 2025	December 31, 2024	Yearly Change
Number of Managers (ITD)	20	18	2
Number of Active Managers	14	12	2
Number of Funds/SMAs (ITD)	49	44	5
Number of Active Funds/SMAs	38	34	4
Committed Capital[1]	$5,956.1	$4,851.4	$1,104.7
Unfunded Commitment	2,134.8	1,637.5	497.3
Total Exposure	5,268.7	4,256.0	1,012.7
Contributed Capital	5,174.9	4,237.7	937.2
Distributed Capital	3,106.5	2,475.1	631.5
Market Value	3,133.9	2,618.6	515.3
Total Value	**$6,240.4**	**$5,093.6**	**$1,146.8**
Gain/(Loss)	1,065.5	855.9	209.6
DPI[2]	0.60x	0.58x	0.02x
TVM[3]	1.21x	1.20x	0.00x
Net IRR[4]	**9.5%**	**10.1%**	**-51 bps**

1. Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.
2. DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.
3. TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.
RR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and ied interest.

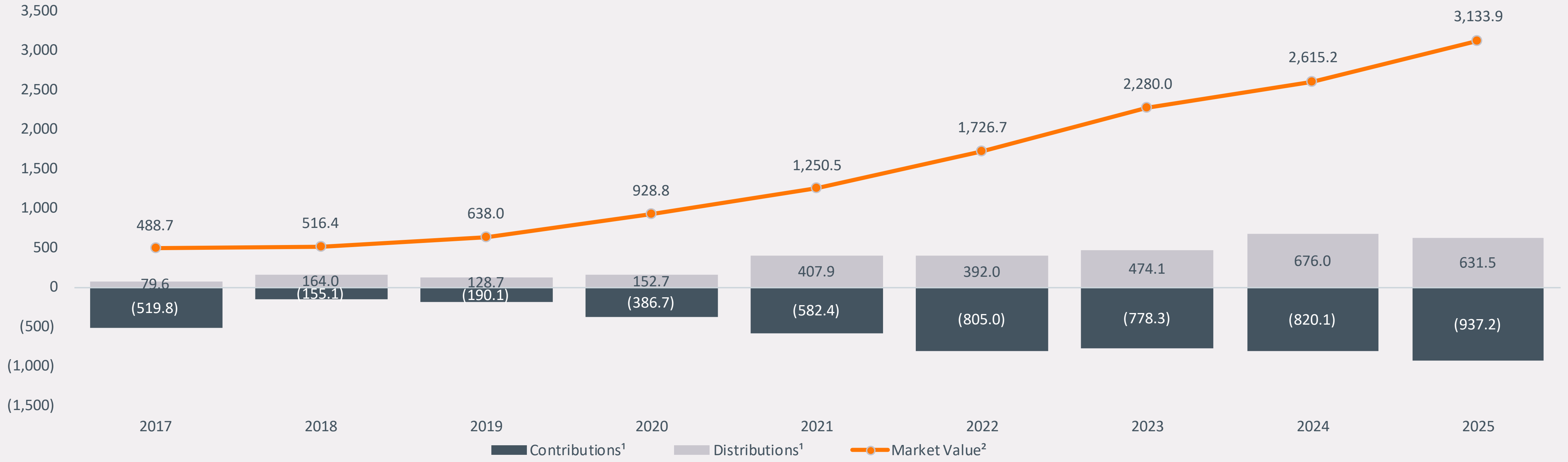
t performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

Annual Cash Flow

Over the past six years, NYSTRS' private debt portfolio has recorded a total of $4.3 billion in contributions and $2.7 billion in distributions, resulting in a total net cash outflow of $1.6 billion

Annual contributions and distributions

As of December 31, 2025, USD in millions



1. Contributions and distribution data reflect cash flow activity within the given calendar year
2. Market Value data above reflects NYSTRS' Year-End Total Market Value for the calendar year
Past performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

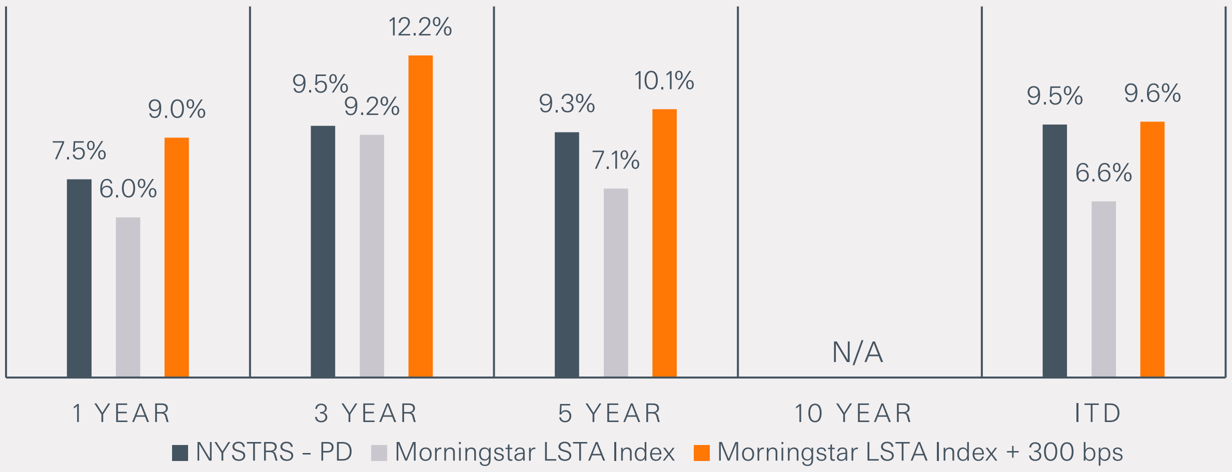
Private Debt Performance

As of December 31, 2025, NYSTRS' PD portfolio has outperformed public markets but underperformed its policy benchmark since inception

Over the last 12 months, the private debt portfolio produced a total net return of 7.5%, underperforming the policy benchmark (Morningstar LSTA plus 300 bps)

Benchmark comparison

As of December 31, 2025



Benchmark (%) Comparison	1 Year	3 Year	5 Year	10 Year	ITD	TVM
NYSTRS - PD	7.5%	9.5%	9.3%	n/a	9.5%	1.2x
Morningstar LSTA Index	6.0%	9.2%	7.1%	n/a	6.6%	N/A
Morningstar LSTA Index + 300 bps	9.0%	12.2%	10.1%	n/a	9.6%	N/A

The Implied PME, based on the Direct Alpha calculation of performance of the private market investment to the stated index as of the measurement date, subtracts/adds the out/underperformance from the net IRR.

Past performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses. The referenced indices are shown for general market comparisons and are not meant to represent any particular fund. An investor cannot directly invest in in private market index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented. The public market index comparisons are being provided solely for informational purposes as an indication of returns that could be earned by investors by making similar investments in the index and should not relied upon for any purpose.

2027 Strategic Review - Private Debt

Strategy

- Employ a consistent investment pacing plan to achieve the 2% target, emphasizing core manager relationships with a focus on achieving target commitments
- Consider investments focused on capital solutions (non-standard loans) and asset-backed debt to augment returns and diversify the portfolio
- Continue to focus on North America
- Continue direct co-investment program

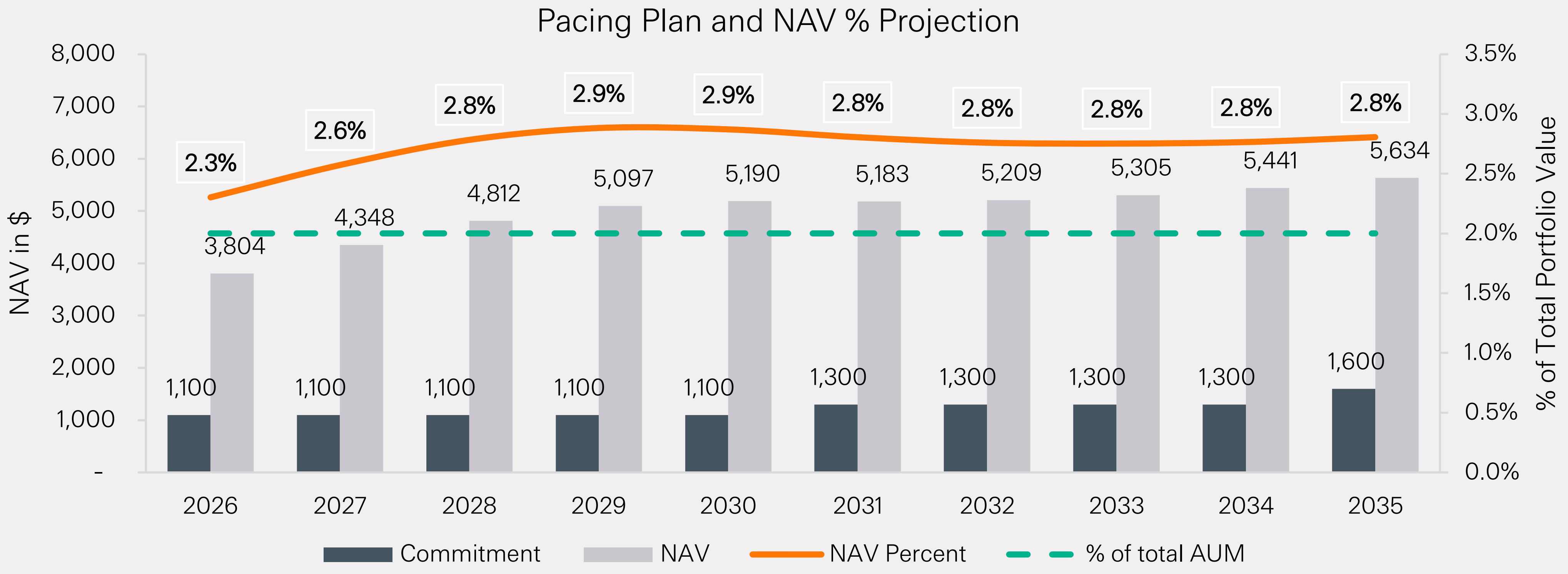
	2020	2021	2022	2023	2024	2025	2026	2027
Market value as % of total portfolio								
Plan	1% target 0.5-5% policy range	1% target 0.5-5% policy range	1% target 0.5-5% policy range	2% target 0.5-5% policy range	2% target 0.5-5% policy range	2% target 0.5-5% policy range	2% target 0.5-5% policy range	2% target 0.5-5% policy range
Actual	0.7%	0.8%	1.3%	1.7%	1.8%	1.9%	1.9%[1]	N/A[1]
Commitments								
Plan	$475M - $575M	$475M - $575M	$700M - $800M	$700M - $1B	$700M - $1B	$800M - $1.2B	$800M - $1.2B	$900M - $1.3B
Actual	$475M	$600M	$600M	$900M	$540M	$1.1B	$900M YTD *(approved)*	N/A

AV data is as of 12/31/2025, we are not able to provide actual market value as % of portfolio data for 2026 or 2027 at this time

Private Debt Pacing Model: Commitment & NAV

- At the end of 2026, the portfolio is expected to be at approximately 2.3%, which is slightly above the 2% target

- Steady increases in commitments from $1.1B to $1.6B over the next decade are expected to keep PD modestly above the target allocation



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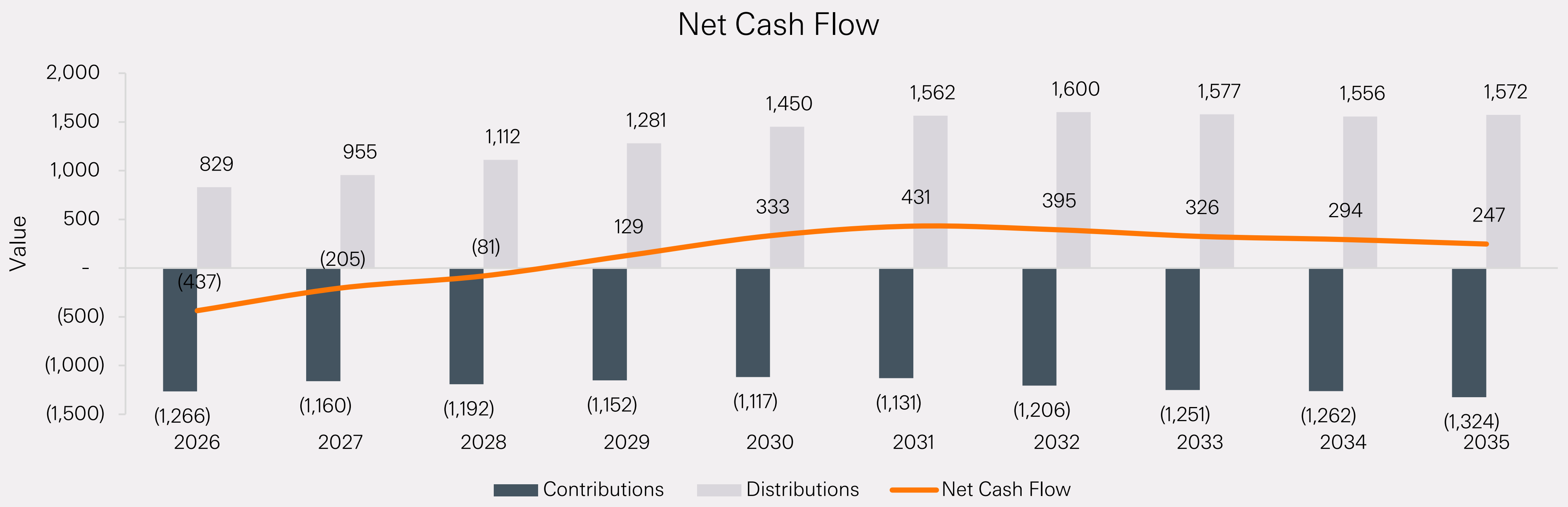
Private Debt Pacing Model: Net Cash Flows

The private debt portfolio is cash flow negative through 2028 then turns positive from 2029 and beyond



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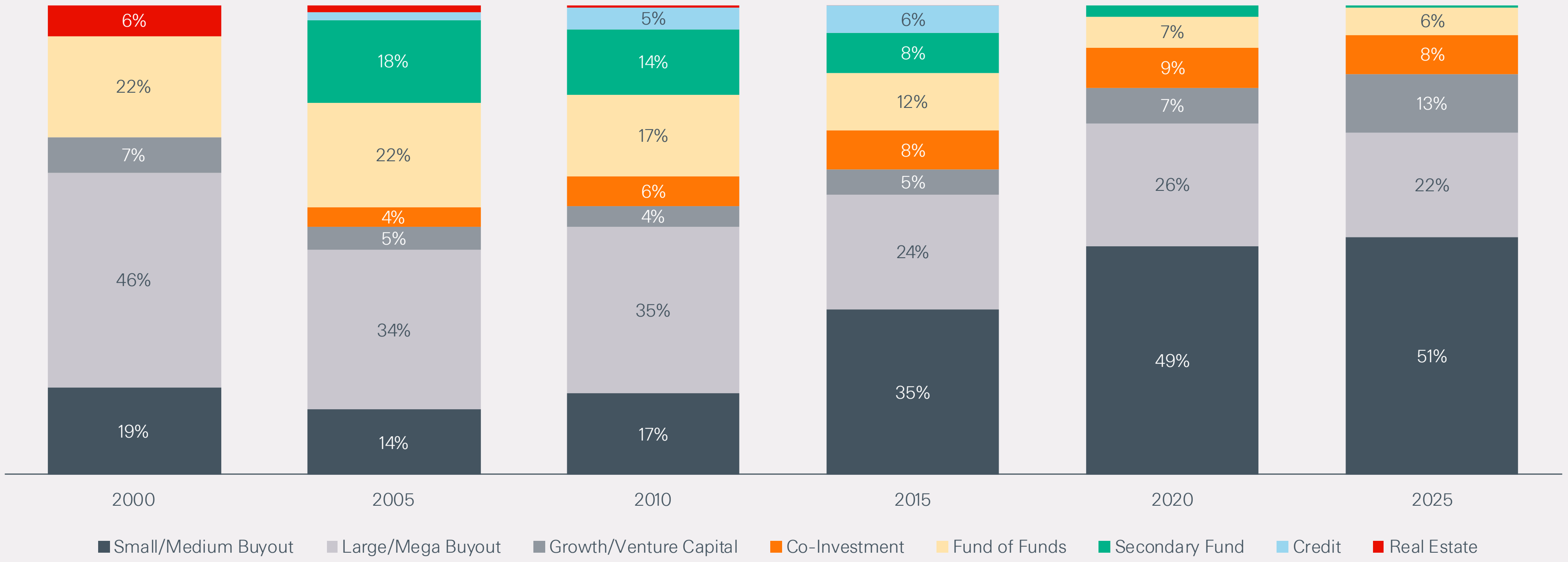
IV. Appendix

Investment Type Diversification – Private Equity

The following chart illustrates NYSTRS' private equity portfolio diversification by investment type at the investment level.

NAV + Unfunded
As of December 31, 2025



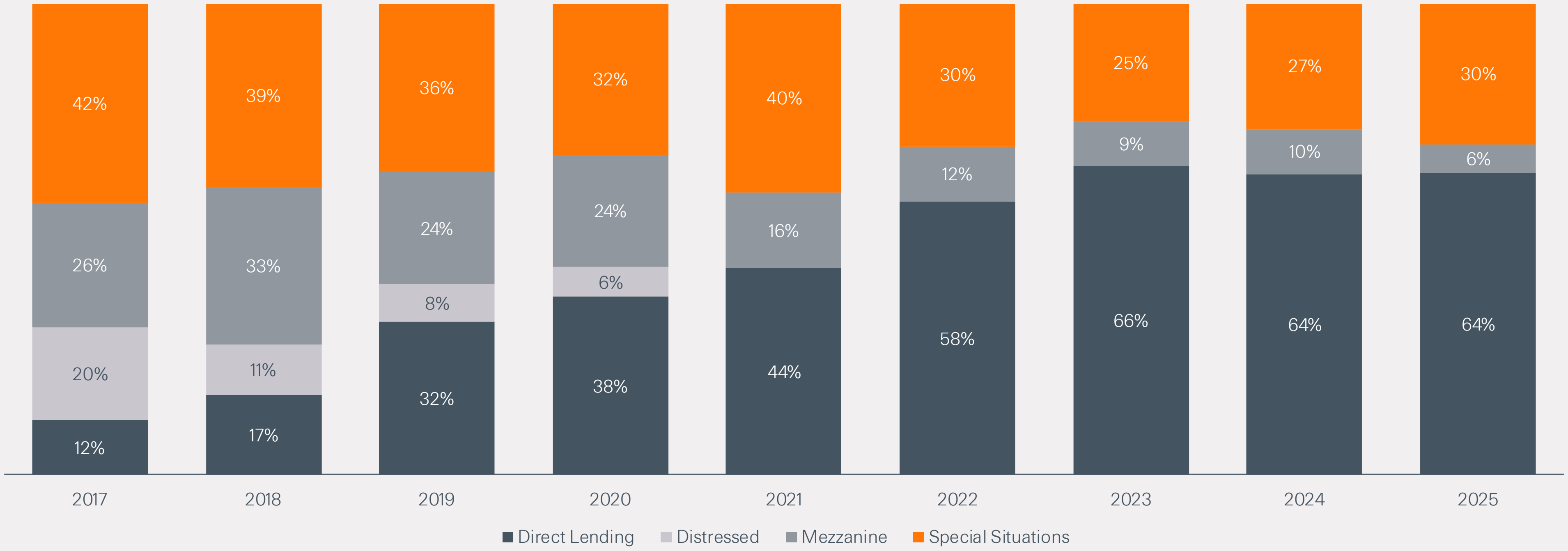
1. Market Value and Unfunded data above reflects NYSTRS' Year-End Total Market Value and Year-End Unfunded for the calendar year

Past performance is not indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

Investment Type Diversification – Private Debt

The following chart illustrates NYSTRS’ private debt portfolio diversification by investment type at the investment level.

NAV + Unfunded
As of December 31, 2025



1. Market Value and Unfunded data above reflects NYSTRS’ Year-End Total Market Value and Year-End Unfunded for the calendar year
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RISKS AND OTHER CONSIDERATIONS

Risks Associated with Investments. Identifying attractive investment opportunities and the right underlying fund managers is difficult and involves a high degree of uncertainty. There is no assurance that the investments will be profitable and there is a substantial risk that losses and expenses will exceed income and gains.

Restrictions on Transfer and Withdrawal; Illiquidity of Interests; Interests Not Registered. The investment is highly illiquid and subject to transfer restrictions and should only be acquired by an investor able to commit its funds for a significant period of time and to bear the risk inherent in such investment, with no certainty of return. Interests in the investment have not been and will not be registered under the laws of any jurisdiction. Investment has not been recommended by any securities commission or regulatory authority. Furthermore, the aforementioned authorities have not confirmed the accuracy or determined the adequacy of this document.

Limited Diversification of Investments. The investment opportunity does not have fixed guidelines for diversification and may make a limited number of investments.

Reliance on Third Parties. StepStone will require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, brokers, custodians, consultants and other agents and failure by any of these third parties to perform their duties could have a material adverse effect on the investment.

Reliance on Managers. The investment will be highly dependent on the capabilities of the managers.

Risk Associated with Portfolio Companies. The environment in which the investors directly or indirectly invests will sometimes involve a high degree of business and financial risk. StepStone generally will not seek control over the management of the portfolio companies in which investments are made, and the success of each investment generally will depend on the ability and success of the management of the portfolio company.

Taxation. An investment involves numerous tax risks. Please consult with your independent tax advisor.

Conflicts of Interest. Conflicts of interest may arise between StepStone and investors. Certain potential conflicts of interest are described below; however, they are by no means exhaustive. There can be no assurance that any particular conflict of interest will be resolved in favor of an investor.

Allocation of Investment Opportunities. StepStone currently makes investments, and in the future will make investments, for separate accounts having overlapping investment objectives. In making investments for separate accounts, these accounts may be in competition for investment opportunities.

Existing Relationships. StepStone and its principals have long-term relationships with many private equity managers. StepStone clients may seek to invest in the pooled investment vehicles and/or the portfolio companies managed by those managers.

Carried Interest. In those instances where StepStone and/or the underlying portfolio fund managers receive carried interest over and above their basic management fees, receipt of carried interest could create an incentive for StepStone and the portfolio fund managers to make investments that are riskier or more speculative than would otherwise be the case. StepStone does not receive any carried interest with respect to advice provided to, or investments made on behalf, of its advisory clients.

Other Activities. Employees of StepStone are not required to devote all of their time to the investment and may spend a substantial portion of their time on matters other than the investment.

Material, Non-Public Information. From time to time, StepStone may come into possession of material, non-public information that would limit their ability to buy and sell investments.

Responsible Investment Integration. While StepStone seeks to integrate certain Responsible Investment ("RI") factors into its investment process and firm operations, there is no guarantee that StepStone's RI strategy will be successfully implemented or that any investments or operations will have a positive RI impact. Applying RI factors to investment decisions involves qualitative and subjective decisions and there is no guarantee the criteria used by StepStone to formulate decisions regarding RI, or StepStone's judgment regarding the same, will be reflected in the beliefs or values of any particular client or investor. There are significant differences in interpretation of what constitutes positive RI impact and those interpretations are rapidly changing. The description of RI integration herein is provided to illustrate StepStone's intended approach to investing and firm operations; however, there is no guarantee that the processes will be followed in every circumstance or at all.

Performance Information. No investment decisions may be made in reliance on this document. In considering performance information herein, readers should bear in mind that past performance is not necessarily indicative of future results and that actual results may vary. There can be no assurance that any StepStone fund will be able to successfully implement its investment strategy or avoid losses. Performance shown herein may include investments across different StepStone funds. The aggregate returns are not indicative of the returns an individual investor would receive from these investments. No individual investor received such aggregate returns as the investments were made across multiple funds and accounts over multiple years.

STEPSTONE

stepstonegroup.com

New York State Teachers' Retirement System

Investment Committee Executive Summary

Investment Committee July 29, 2026

Christopher Brown, CPA
Deputy Chief Financial Officer - Investment Operations Department

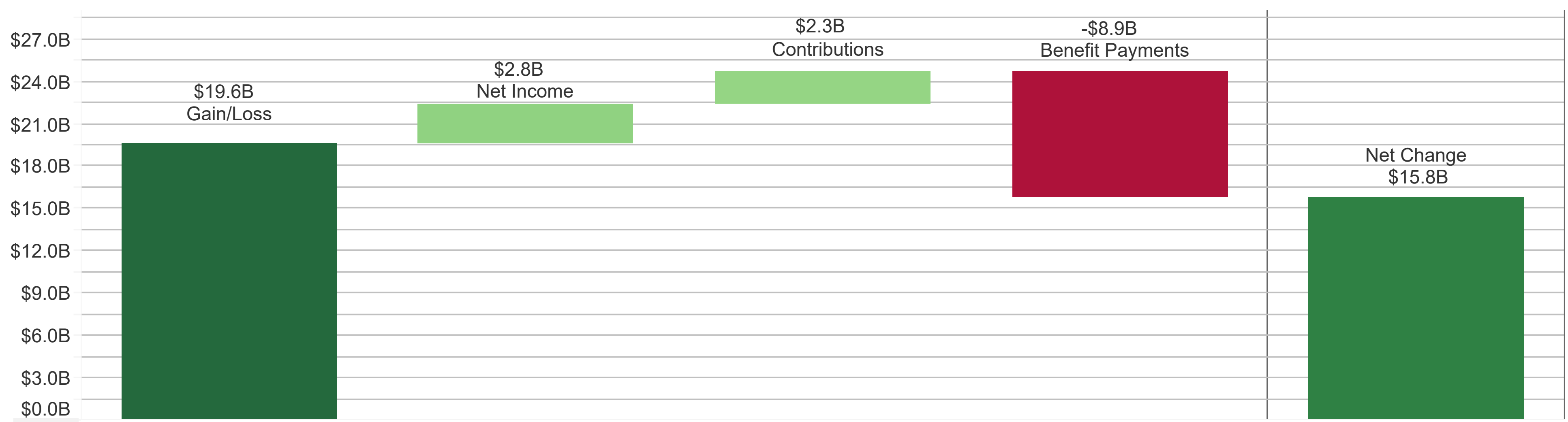
Investment Committee Executive Summary

Market Value Summary ('000s)

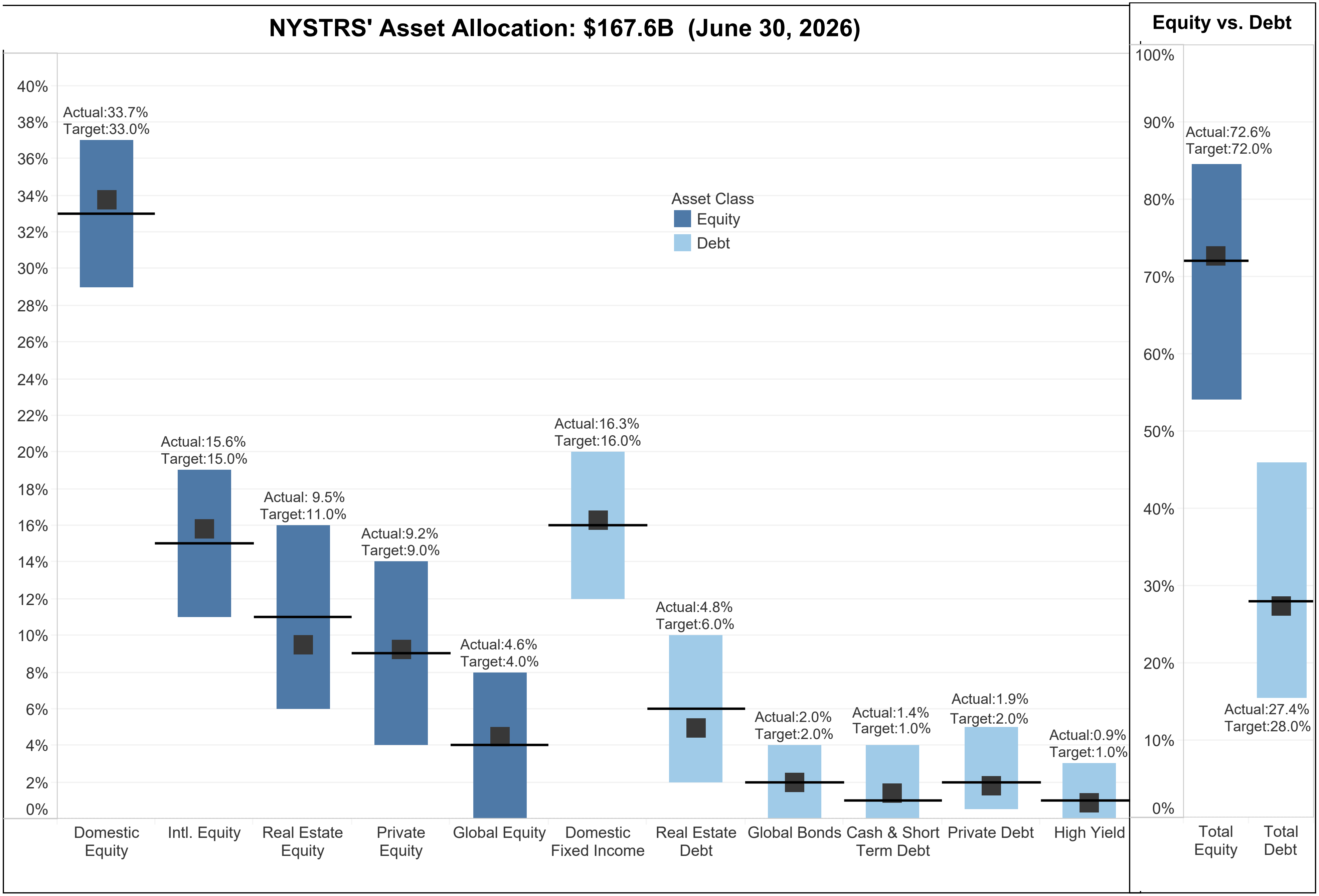
		June 30, 2026		March 31, 2026		June 30, 2025	
Asset Category	Asset Class	Net Asset Value	% Net Asset Value	Net Asset Value	% Net Asset Value	Net Asset Value	% Net Asset Value
Equity	Domestic Equity	$56,478,052	33.7%	$51,331,300	32.8%	$49,781,738	32.8%
	International Equity	$26,189,717	15.6%	$24,698,364	15.8%	$23,739,399	15.6%
	Global Equity	$7,752,670	4.6%	$6,952,841	4.4%	$6,838,168	4.5%
	Real Estate Equity	$15,913,982	9.5%	$15,642,380	10.0%	$15,825,805	10.4%
	Private Equity	$15,346,166	9.2%	$15,000,181	9.6%	$14,797,202	9.7%
	Asset Category Subtotal	**$121,680,588**	**72.6%**	**$113,625,067**	**72.7%**	**$110,982,312**	**73.1%**
Debt	Domestic Fixed Income	$27,382,108	16.3%	$24,202,759	15.5%	$22,537,039	14.8%
	Global Bonds	$3,397,162	2.0%	$3,138,736	2.0%	$3,032,983	2.0%
	High Yield	$1,555,828	0.9%	$1,372,857	0.9%	$1,320,266	0.9%
	Real Estate Debt	$8,031,749	4.8%	$8,180,663	5.2%	$8,936,157	5.9%
	Private Debt	$3,100,306	1.9%	$3,111,954	2.0%	$2,921,279	1.9%
	Cash & Short Term Debt	$2,413,427	1.4%	$2,663,781	1.7%	$2,119,613	1.4%
	Asset Category Subtotal	**$45,880,581**	**27.4%**	**$42,670,752**	**27.3%**	**$40,867,338**	**26.9%**
	Total Plan	**$167,561,169**	**100.0%**	**$156,295,819**	**100.0%**	**$151,849,649**	**100.0%**

Due to rounding, numbers may not sum to 100%.

Components of Change in Total Investments
FYTD: 7/1/2025 to 6/30/2026
$151.8B to $167.6B

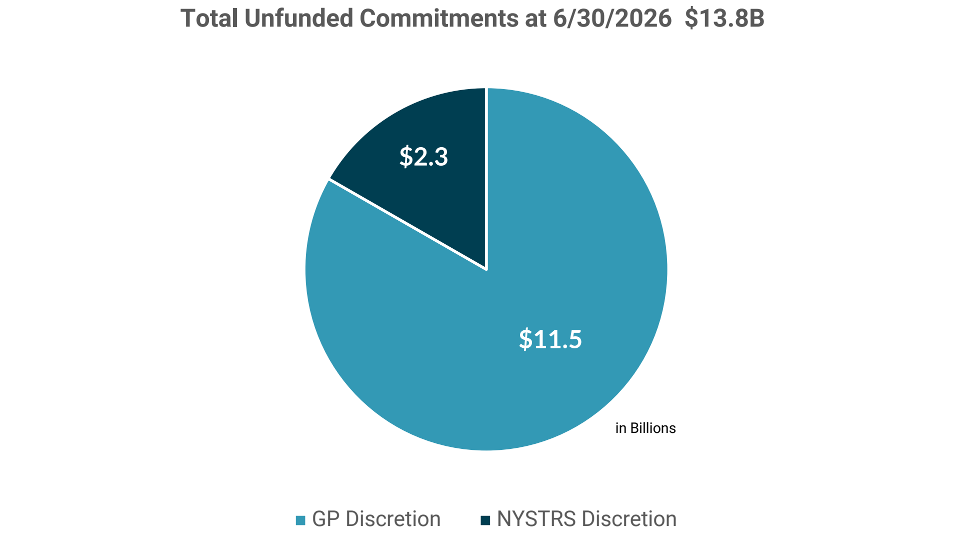


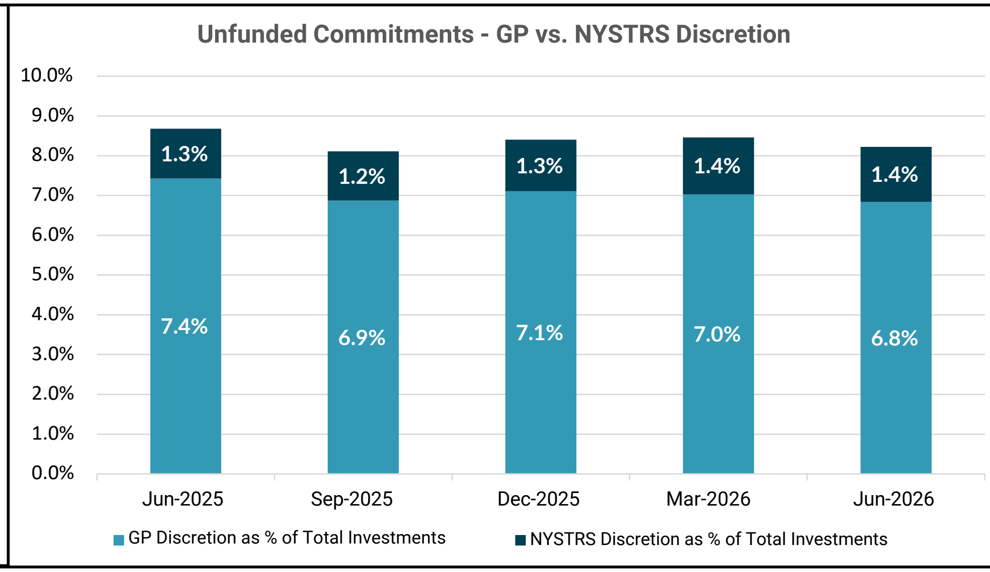
Investment Committee Executive Summary

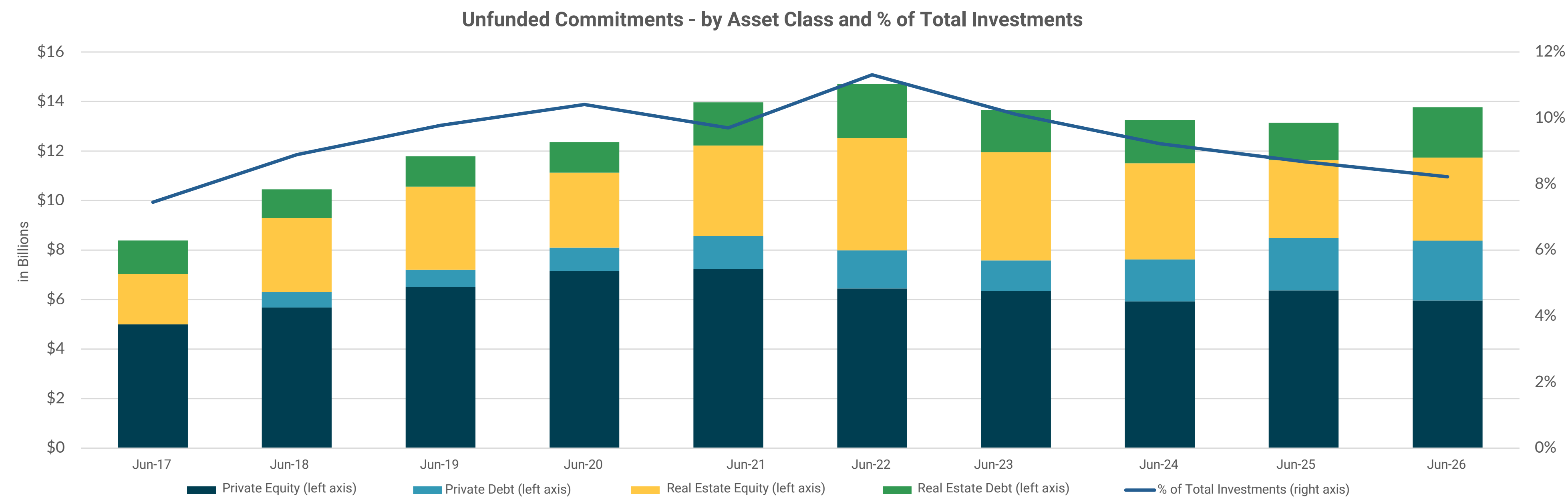


Investment Committee Executive Summary

Unfunded Commitments - Private Assets

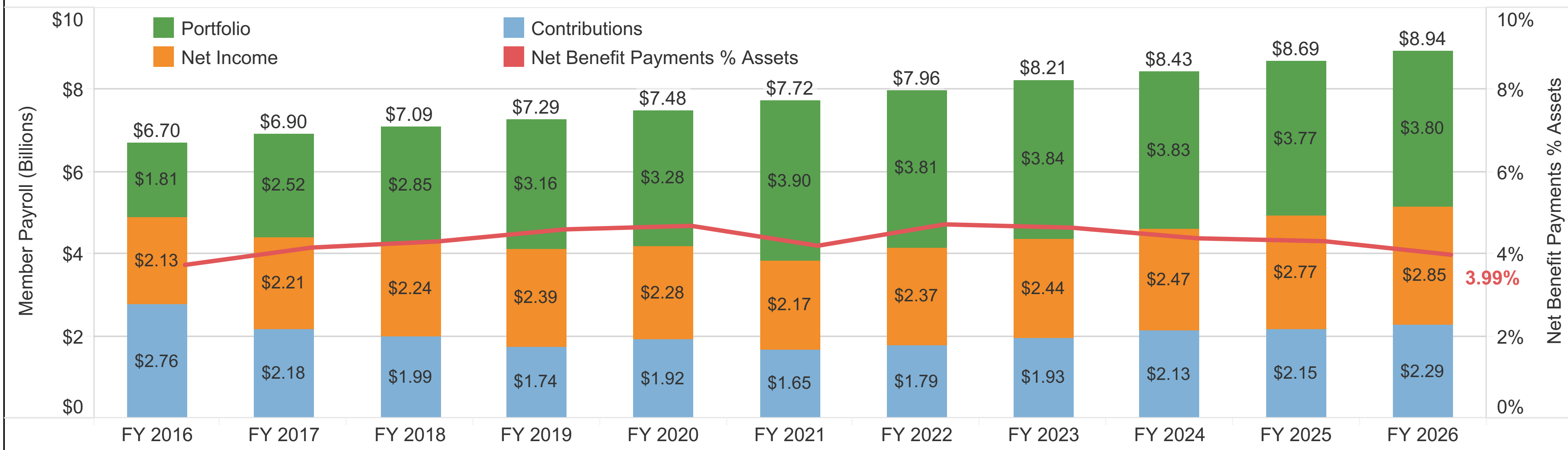




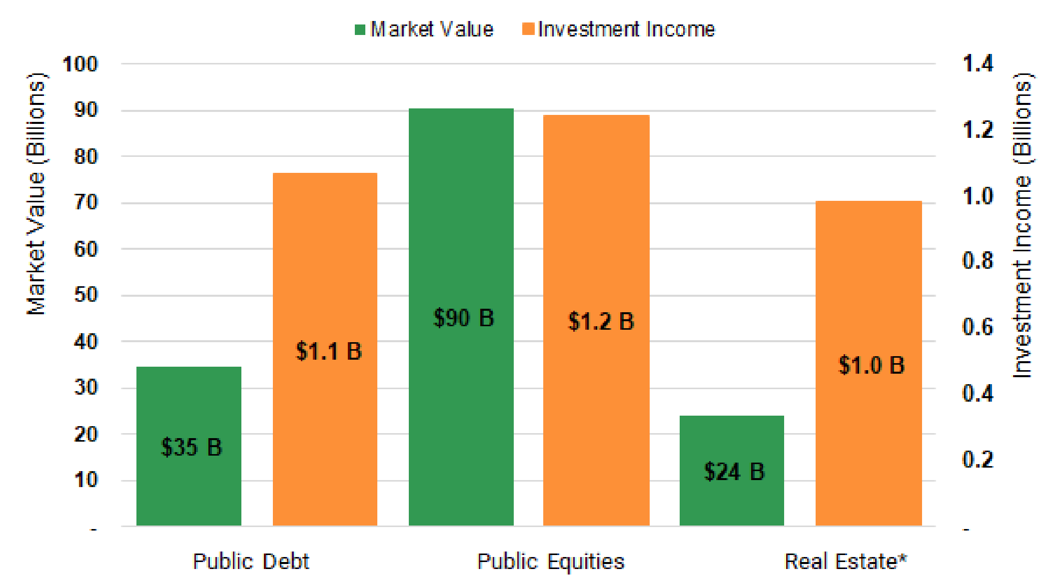


Investment Committee Executive Summary

Member Payroll Funding Sources

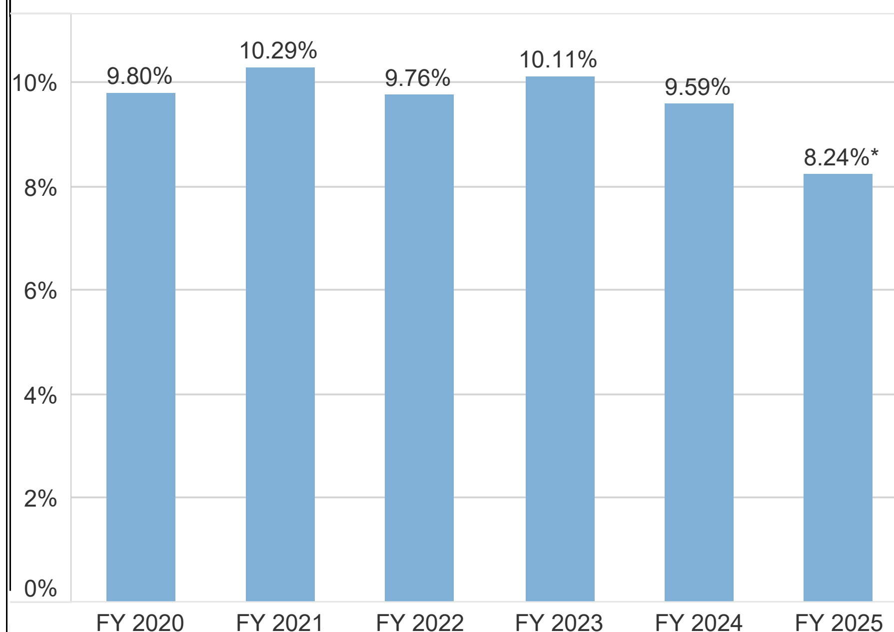


Market Value and Investment Income FY 2026



* Real Estate includes REITs and CMBS.

Employer Contribution Rate



* FY 2025 estimated rate of 8.24% is pending Board approval in July 2026.

Investment Committee Executive Summary

Public Market Performance as of June 30, 2026

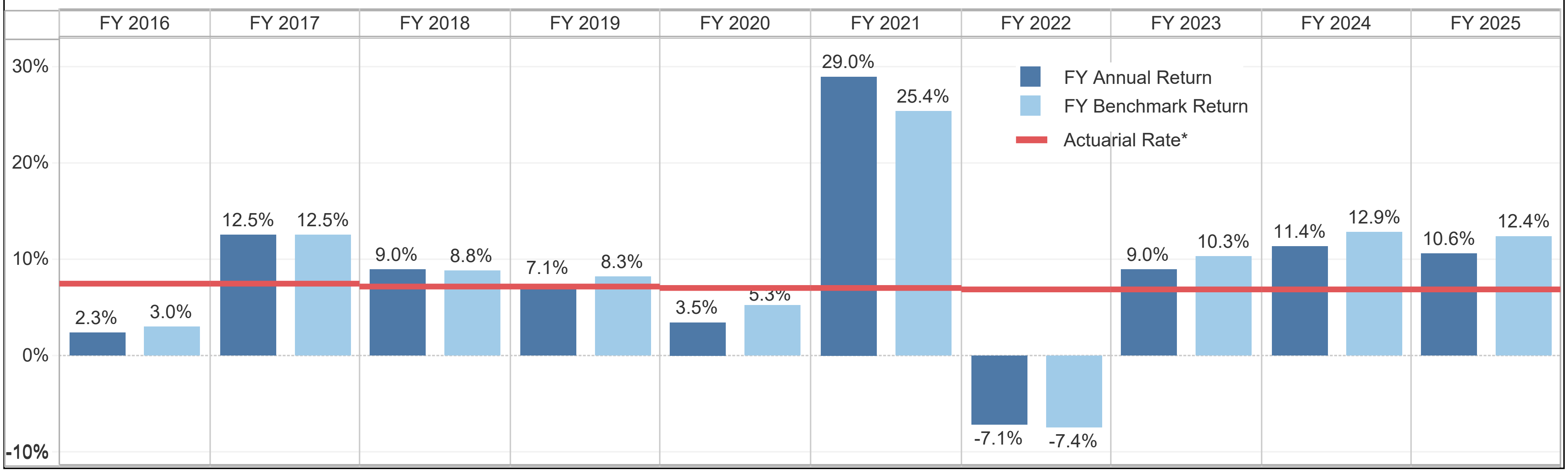
	Current QTR	
Asset Class	Net Return	Excess Return
Domestic Equity	15.3%	0.0%
International Equity	15.2%	0.7%
Global Equity	17.6%	2.6%
Private Equity	N/A	N/A
Real Estate Equity	9.9%	-1.6%
Domestic Fixed Income	0.7%	0.0%
Global Bonds	1.9%	0.6%
High Yield Bonds	2.3%	-0.2%
Private Debt	N/A	N/A
Real Estate Debt	1.3%	0.6%
Short Term	0.9%	0.1%
Total Public Markets	**11.1%**	**0.3%**

RE Equity is REITs only and RE Debt is CMBS only.
For additional performance information see Supplemental Materials.

Total Fund Performance as of March 31, 2026

	QTR		FYTD		10YR	
Asset Class	Net Return	Excess Return	Net Return	Excess Return	Net Return	Excess Return
Domestic Equity	-3.7%	0.1%	6.8%	0.3%	13.8%	0.0%
International Equity	-0.4%	0.3%	11.4%	-0.1%	8.9%	0.5%
Global Equity	-1.2%	2.0%	9.7%	2.0%	N/A	N/A
Private Equity	0.4%	3.5%	5.8%	-4.1%	13.5%	-5.7%
Real Estate Equity	1.1%	0.1%	1.1%	-1.2%	4.6%	0.6%
Domestic Fixed Income	0.0%	0.1%	3.1%	0.1%	1.8%	0.1%
Global Bonds	-0.7%	-0.3%	2.2%	0.4%	2.3%	0.5%
High Yield Bonds	-0.3%	0.1%	3.7%	0.2%	N/A	N/A
Private Debt	0.2%	0.0%	4.6%	-0.1%	N/A	N/A
Real Estate Debt	0.5%	-0.4%	4.1%	-0.2%	3.9%	0.3%
Short Term	0.9%	0.1%	3.1%	0.3%	2.4%	0.4%
Total Fund	**-1.2%**	**0.3%**	**6.0%**	**-0.4%**	**8.9%**	**-0.5%**

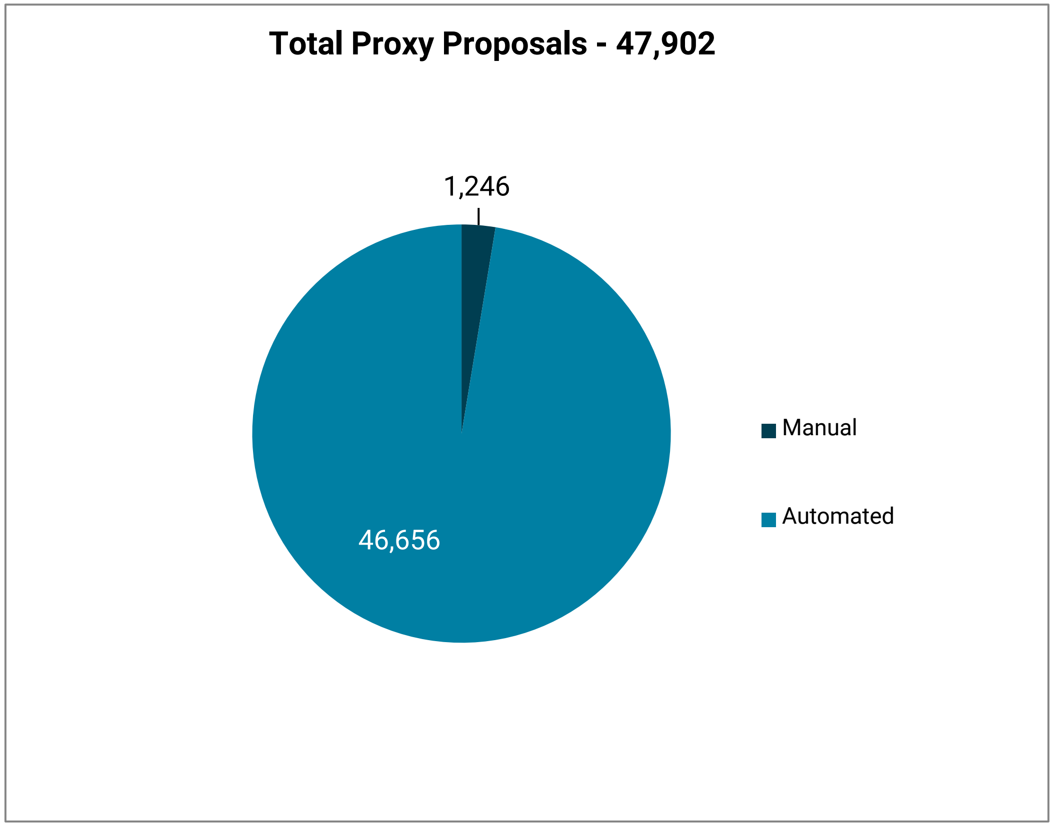
Annual Performance

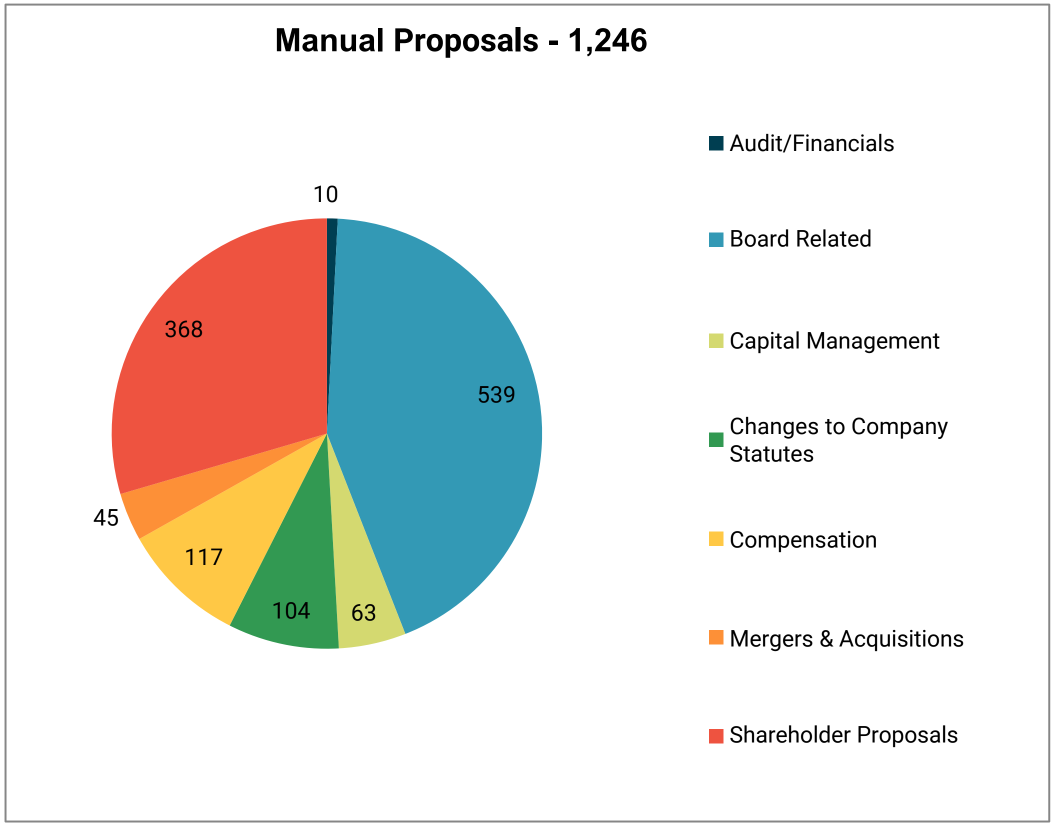


*Actuarial Rate reduced from 7.5% effective 6/30/2015 to 7.25% effective 6/30/2017, to 7.1% effective 6/30/2019, and to 6.95% effective 6/30/2021.

Investment Committee Executive Summary

Proxy Voting Summary: 4/1/2026 - 6/30/2026





The System has implemented automated voting for those issues that can reliably be voted according to NYSTRS' Stock Proxy Voting policy without review in the U.S. and Canada and has implemented automated voting for a majority of issues in all other international markets. Those requiring review are voted manually utilizing research provided by our proxy advisory service to support the decision. In general, the System supports corporate management if management's position appears reasonable, is not detrimental to the long range economic prospects of the company, and does not tend to diminish shareholder rights. Should a complex issue arise which is not included in the Stock Proxy Voting policy, the Executive Director and Chief Investment Officer or his designee is authorized to exercise best judgment in voting such issue.

Audit/Financials - The System may oppose auditor selection if there are concerns about objectivity.
Board Related - The System supports independent and diverse directors.
Capital Management - The System generally supports proposals that provide the company with flexibility provided they do not limit shareholder rights.
Changes to Company Statutes - The System generally supports proposals relating to bylaw or organizational changes provided they do not limit shareholder rights.
Compensation - The System generally supports reasonable compensation plans which are tied to objective performance measures. Stock option plans should be used to motivate corporate personnel.
Mergers & Acquisitions - Proposals are reviewed on a case by case basis.
Shareholder Proposals (type & number) - Compensation: 11, Environment: 107, Governance: 132, Social: 91, and Other: 27.

Fixed Income Update

Summary as of 06/30/2026

	Mkt Val	Asset Allocation %			Portfolio Net Returns %					Excess Returns %				
	$B	Actual	Target	Range	Qtr	FYTD	1Y	3Y Ann	5Y Ann	Qtr	FYTD	1Y	3Y Ann	5Y Ann
Internally Managed	$30.4	17.3	17	12-24										
Domestic Fixed Income	$27.4	15.5	16	12-20	0.73	3.81	3.81	4.47	0.84	0.04	0.10	0.10	0.31	0.76
Short-Term Bond	$2.4	1.4	1	0-4	0.94	4.05	4.05	4.80	3.70	0.10	0.43	0.43	0.41	0.36
Emerging Market Debt	$0.6	0.3			2.10	5.61	5.61			0.01	0.20	0.20		
Externally Managed	$4.4	2.6	3	0-7										
Global Aggregate Bonds	$2.3	1.4	2	0-4	1.82	3.77	3.77	4.71	0.57	0.51	0.57	0.57	0.34	0.23
Global Carbon Transition	$0.6	0.3			1.93	4.64	4.64			0.10	0.14	0.14		
High Yield	$1.6	0.9	1	0-3	2.28	6.10	6.10	8.45	4.17	-0.17	0.08	0.08	0.07	0.22

Qtr. Market Commentary:

- **US:** UST yields drifted higher on inflation concerns as the curve flattened with changing market expectations for monetary policy
- **Credit**: Investment Grade & High Yield spreads both tightened near historical lows while corporate credit fundamentals remain resilient
- **Global:** Hedged returns exceeded unhedged as USD held onto recent gains on peace prospects
- **EM:** USD EMD gains led by spread tightening as the US-Iran ceasefire framework reduced the geopolitical risk premium

Positioning and Performance:

- **Domestic FI**: Over $3.25 billion net inflows in quarter
  - Quarterly & Fiscal Year outperformance on portfolio duration
  - Portfolio active risk remains low
- **Short-Term:** Portfolio yield stable ~3.75% as Fed held short-term rates steady during the quarter
- **EM:** Performed in-line with benchmark
- **External:** High Yield underperformed for the quarter; Global Aggregate & Carbon Transition outperformed;
  - Funded Systematic High Yield and additional investment to both Carbon Transition Managers

Outlook:

- **Policy**: New Fed Chairman removed traditional forward guidance while setting up task forces to review policy frameworks and communication
- **Macro**: Resilient but moderating growth with a stable labor market but sticky inflation and persistent supply-chain headwinds
- **Rates:** The Fed will track inflation and employment data, while analysts debate whether rates will hold steady through year-end or if one to two more hikes are coming
- **Credit**: Late-stage expansion phase in credit cycle given solid fundamentals, strong corporate earnings, and AI-related investments extending the cycle's runway

New York State Teachers' Retirement System

Commercial Real Estate (CRE) Equity and Debt Investments Managing Director Update

Investment Committee – July 29, 2026

David C. Gillan, CPA
Managing Director of Real Estate

CRE Equity Portfolio	6/30/26 Value	Target	Range	Actual	w/Commitments
	$15,914	11%	6%-16%	9.5%	11.3%

Performance for Periods Ended March 31, 2026

Strategy (Inception Date)	Net Asset Value	Current Quarter	1 Year	5 Year	10 Year	Since Inception
Direct Properties (2/90)	$5,987	1.1%	-1.9%	1.5%	3.6%	8.3%
Core Funds (7/85)	$1,304	-0.9%	-7.1%	-3.3%	-0.4%	5.4%
Value Added (12/89)	$1,893	1.0%	-0.2%	6.0%	10.4%	10.8%
Opportunistic (3/99)	$3,820	1.3%	4.8%	6.3%	7.0%	9.9%
U.S. RE Securities (7/95)	$1,883	2.6%	5.3%	5.3%	6.3%	10.7%
Global RE Securities (9/17)	$565	0.2%	7.1%	2.3%	-	3.3%
Timber (12/98)	$260	1.1%	9.3%	12.1%	7.3%	5.5%
Total CRE Equity Portfolio	**$15,712**	**1.1%**	**0.8%**	**2.6%**	**4.6%**	**7.6%**
NCREIF-ODCE (Spliced)	-	1.0%	3.1%	2.3%	4.0%	5.9%

Market Commentary:

- Green Street's CPPI (private asset values) reflected a 4.1% increase over the prior twelve months, 14.2% below the 2022 peak. Neighborhood retail leads at 9% and apartments lagged with a flat YOY valuation.
- REITs reflected a 1% discount to private market valuations at quarter-end. However, disparities continue at the sector level with health care REITs trading at a 62% premium and single-family rental REITs trading at a 22% discount to private assets.
- Apartment and industrial have been most impacted by new supply. However, earnings across both sectors appear to have bottomed and fundamentals are improving as deliveries are absorbed. Big box industrial demand remains resilient due to a limited construction pipeline.
- Office absorption is expected to accelerate through 2027; market examples include NYC and San Francisco; although for office, macro uncertainty and a heavy cap-ex load (29% of earnings) push private-market office return expectations towards the bottom of all CRE sectors.

Portfolio Focus:

- Acquisitions continues to focus on strategies that provide a durable long-term cash flow profile such as multifamily in secondary and tertiary "Eds & Meds" micro-locations, Infrastructure and Senior Housing.
- The pipeline reflects several strategies with existing partners as well as exposure to fund opportunities across infrastructure, healthcare and US diversified opportunities.
- Staff continues to monitor financing rates and will look to opportunistically add leverage to directly owned properties when accretive to property yields and where proceeds can be invested at higher returns than the financings.
- During the quarter, the System closed on $150 million to a US and European industrial focused fund, $150 million to a core open-end global diversified infrastructure fund and $100 million to a value-add global diversified infrastructure fund.

Portfolio Performance Drivers

- Over the last 12 months, the CRE Equity portfolio produced a total net return of 0.8%, which underperformed the NCREIF ODCE policy benchmark.
- Drivers of the lower nominal performance for the year continue to be our exposure to life science in our direct portfolio as well as core funds. The significant decline in value of our cold storage company was primarily a result of energy related inflation. Values of multi-family and industrial properties declined earlier in the year and are now stabilizing as new supply is absorbed and future supply is subdued.
- Although the overall equity portfolio underperformed the benchmark for the year, there were areas that have performed well. The direct portfolio had a strong income return for the year at 5.3% vs the benchmark income return of 3.2%, the value of our direct NYC office asset increased due to strong leasing that brought our occupancy to 100%, and our investment in a grocery-anchored retail, due to increased rents on lease turnover and strong investor demand for necessity-based retail.

CRE Debt Portfolio	6/30/26 Value	Target	Range	Actual	w/Commitments
	$8,032	6%	2%-10%	4.8%	5.9%

Performance for Periods Ended March 31, 2026

Strategy (Inception Date)	Net Asset Value	Current Quarter	1 Year	5 Years	10 Years	Since Inception
First Mortgages (7/85)	$2,114	-0.8%	3.7%	2.8%	3.5%	7.6%
Commercial MBS (4/01)	$3,518	0.8%	7.0%	2.9%	3.5%	4.7%
Core Plus Strategies (8/04)	$1,953	1.4%	7.9%	3.5%	4.7%	4.3%
Opportunistic Debt (9/01)	$584	0.8%	3.3%	4.4%	5.7%	1.5%
Total CRE Debt Portfolio	**$8,169**	**0.5%**	**6.1%**	**3.2%**	**3.9%**	**7.5%**
GL Custom Index (Spliced)	-	1.0%	6.2%	2.7%	3.6%	7.6%

Market Commentary:

- Interest rates have been extremely volatile in 2026 primarily due to inflation and geopolitical tensions. The 5-year U.S. treasury yield was at 3.50% in February which moved to 4.30% as of mid-July. However, tighter spreads have partially offset these higher yielding coupons.
- At the June 2026 meeting, the Federal Reserve voted unanimously to maintain the current federal funds rate at 3.50% - 3.75%.
- General expectations are that the federal reserve will continue to push rates in an upward direction over the near term as they try to address energy driven inflation.

Portfolio Focus:

- Origination staff continue to focus on quality opportunities based on a combination of yield, credit, collateral, and duration. Staff has been focused primarily on multifamily and industrial but will now consider well leased trophy office assets in tight markets, such as NYC and San Francisco and top tier A+ to A++ malls with strong sponsors and sales of $900/sf +. General yield opportunities are below:

Type of Debt Investments	Approximate Yields
5-yr Mortgage: Multifamily/Industrial	5.25%-5.50%
5-yr Mortgage: Trophy Office	6.00%-6.50%
5-yr Mortgage: Trophy A+ Malls	6.00%-6.50%
Investment Grade Conduit (AAA to AA)	5.10%- 5.75%
Investment Grade SASB (AAA to BBB)	5.25%-6.25%
Below Investment Grade SASB	7.00%+
Mezzanine/Bridge Loans	7.00%-8.00%

Portfolio Performance Drivers

- Over the last 12 months, the portfolio produced a net return of 6.1% which was in line with the policy benchmark.
- The existing first mortgage portfolio has been impacted by legacy office loans that carry fixed coupons below current market, as well as a value declines on recently foreclosed office loans. At the same time, the portfolio is benefitting from originations at higher rates for multi-family and industrial loans vs. coupons from pre covid levels.
- Separate account mezzanine and bridge strategies are outperforming the benchmark even as the team works through modifications and foreclosures when the borrower is unable to meet restructuring terms.
- Opportunistic fund strategies have been impacted by development loans where the borrower and or developer has defaulted, usually due to liquidity issues.

Commercial Real Estate (CRE) Investments – MD Update

Equity Real Estate Performance for Periods Ended March 31, 2026						
Strategy (Inception Date)	**Net Asset Value**	**Current Quarter**	**1 Year**	**5 Year**	**10 Year**	**Since Inception**
Direct Properties (2/90)	$5,987	1.1%	-1.9%	1.5%	3.6%	8.3%
Core Funds (7/85)	$1,304	-0.9%	-7.1%	-3.3%	-0.4%	5.4%
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Timber (12/98)	$260	1.1%	9.3%	12.1%	7.3%	5.5%
Total CRE Equity Portfolio	**$15,712**	**1.1%**	**0.8%**	**2.6%**	**4.6%**	**7.6%**
Blended Benchmark*	**-**	**1.7%**	**4.7%**	**2.4%**	**3.8%**	**5.9%**

Debt Real Estate Performance for Periods Ended March 31, 2026						
Strategy (Inception Date)	**Net Asset Value**	**Current Quarter**	**1 Year**	**5 Years**	**10 Years**	**Since Inception**
First Mortgages (7/85)	$2,114	-0.8%	3.7%	2.8%	3.5%	7.6%
Commercial MBS (4/01)	$3,518	0.8%	7.0%	2.9%	3.5%	4.7%
Core Plus Strategies (8/04)	$1,953	1.4%	7.9%	3.5%	4.7%	4.3%
Opportunistic Debt (9/01)	$584	0.8%	3.3%	4.4%	5.7%	1.5%
Total CRE Debt Portfolio	**$8,169**	**0.5%**	**6.1%**	**3.2%**	**3.9%**	**7.5%**
Blended Benchmark*	**-**	**0.8%**	**6.4%**	**2.6%**	**3.5%**	**7.6%**

* The Blended Benchmarks used here represent the market-value weighted average of the underlying benchmarks for all of the public/private strategies. The System's Real Estate Policy benchmark is the NCREIF-ODCE for the Real Estate Equity Portfolio, and the Giliberto-Levy Custom Index for the Real Estate Debt Portfolio.

New York State Teachers' Retirement System

Private Equity & Private Debt Managing Director Update

Investment Committee – July 29, 2026

Gerald J. Yahoudy II, CAIA, FDP
Private Equity & Private Debt

Private equity summary as of 6/30/2026

	Market Value	Actual Allocation	Target Allocation	Allocation Range		
	$15.4B	9.2%	9.0%	4% - 14%		
Net TWR as of 3/31/26	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**	**30-Year**
NYSTRS PE Portfolio	9.0%	6.9%	8.4%	13.5%	12.2%	13.0%
Excess Return						
S&P 500	-8.8%	-11.4%	-3.6%	-0.7%	1.7%	3.0%
S&P 1500 (1)	-8.8%	-10.9%	-3.2%	-0.4%	1.8%	3.0%
MSCI ACWI (2)	-11.0%	-9.7%	-1.1%	2.1%	4.6%	N/A
Russell 2000	-16.7%	-6.2%	4.7%	3.6%	4.7%	4.6%
MSCI ACWI IMI	-11.6%	-9.4%	-0.6%	2.4%	4.6%	5.5%

(1) Public Equity Domestic Benchmark, (2) Public Equity Global Benchmark

Private debt summary as of 6/30/2026

	Market Value	Actual Allocation	Target Allocation	Allocation Range
	$3.1B	1.9%	2.0%	0.5% - 5%
Net TWR as of 3/31/26	**1-Year**	**3-Year**	**5-Year**	**7-Year**
NYSTRS PD Portfolio	6.2%	8.3%	8.8%	8.6%
Excess Return				
Morningstar LSTA	1.4%	0.3%	2.9%	3.0%
Bloomberg Agggregate (1)	1.9%	4.6%	8.5%	7.0%
Bloomberg HY	-0.8%	-0.3%	4.6%	3.5%

(1) Fixed Income Long Term Bond Benchmark

Market Commentary:

- PE market activity and liquidity have improved but still lag historical averages.
- A.I. continues to cause issues in certain industries such as software in terms of valuations and upcoming refinancings.
- PD markets have started shifting in favor or lenders given recent challenges/redemptions on the publicly traded side (e.g., BDCs). A pickup in sponsor activity will also help bolster this trend.

Portfolio Activity & Asset Allocation:

- Quarterly valuations for both private equity and private debt increased 0.4% and 0.2% respectively from 12/31/25.
- For the quarter ended 6/30, two PE funds and one PD fund (existing relationships) were approved by the IIC and the ED/CIO
- Both PE and PD pipelines remain robust.

Portfolio Performance & Positioning:

- Private Equity and Private Debt are outperforming public markets over the long run.
- Continued focus on diversification in the PD portfolio by adding strategies beyond direct lending such as asset based or opportunistic/capital solutions.
- On the PE side, exploring additions to our growth equity portfolio.
- Internal co-investment program up and running with a few opportunities in progress.

Other Updates:

- StepStone to present their annual reviews and 2027 CY pacing expectations for PE and PD.
- See following pages for additional benchmarking data.

NYSTRS 3/31/26 Horizon Net IRRs vs. PME+

Private Equity	1-Year	3-Year	5-Year	10-Year	15-Year	Inception
PME+ S&P 500	18.7%	19.2%	12.3%	14.6%	13.3%	10.2%
NYSTRS PE vs S&P500 PME+	-9.8%	-12.6%	-3.7%	-0.3%	**0.1%**	**2.4%**
PME+ S&P 1500	18.7%	18.6%	11.8%	14.3%	13.0%	N/A
NYSTRS PE vs S&P 1500 PME+	-9.8%	-12.0%	-3.2%	0.0%	**0.4%**	N/A
PME+ MSCI ACWI	21.6%	17.5%	9.9%	12.2%	9.6%	N/A
NYSTRS PE vs. MSCI ACWI PME+	-12.8%	-10.9%	-1.3%	**2.1%**	**3.8%**	N/A
PME+ MSCI ACWI IMI	22.3%	17.1%	9.4%	11.9%	9.5%	N/A
NYSTRS PE vs ACWI IMI PME+	-13.4%	-10.5%	-0.9%	**2.3%**	**3.9%**	N/A
PME+ Russell 2000	26.6%	13.1%	3.9%	10.4%	9.3%	9.1%
NYSTRS PE vs Russell 2000 PME+	-17.7%	-6.5%	**4.7%**	**3.9%**	**4.1%**	**3.4%**

- On a PME+ basis, the PE portfolio has generally outperformed various public market indices over the long term.

Private Debt	1-Year	3-Year	5-Year	7-Year	Inception
PME+ Morningstar LSTA	4.8%	7.7%	6.4%	6.3%	6.1%
NYSTRS PD vs LSTA PME+	**1.4%**	**0.4%**	**2.2%**	**2.5%**	**3.1%**
PME+ Bloomberg US Agg Total Return	4.4%	3.8%	1.7%	1.9%	2.0%
NYSTRS PD vs Bloomberg US Agg PME+	**1.8%**	**4.3%**	**6.9%**	**6.9%**	**7.2%**
PME+ Bloomberg US Corp. HY Total Return	7.3%	8.6%	5.6%	6.0%	5.9%
NYSTRS PD vs Bloomberg US HY PME+	-1.1%	-0.5%	**3.0%**	**2.8%**	**3.4%**

- On a PME+ basis, the PD portfolio has outperformed various public debt indices over time.

Source: SPI/StepStone Reporting Platform.

NYSTRS' 3/31/26 Horizon Net IRRs vs Preliminary Cambridge Benchmarks

Private Equity	% of Total Portfolio NAV	1-Year	3-Year	5-Year	10-Year	15-Year
NYSTRS Total PE	100%	8.9%	6.6%	**8.6%**	14.3%	13.4%
NYSTRS US	83%	8.5%	7.4%	***9.5%***	**15.0%**	**14.1%**
NYSTRS Non US	17%	10.9%	3.1%	5.1%	11.6%	10.4%
NYSTRS S/M Buyouts	23%	3.4%	*5.3%*	***10.6%***	***16.4%***	***16.8%***
NYSTRS All Buyouts	68%	3.4%	5.1%	**8.4%**	***14.9%***	***14.7%***
Cambridge PE		14.0%	8.0%	7.4%	14.6%	13.8%
NYSTRS VC/Growth	17%	***46.6%***	***22.8%***	***17.9%***	***19.2%***	***16.6%***
Cambridge VC/Growth		19.6%	8.71%	5.9%	15.3%	14.8%

- Returns from NYSTRS' US and S/M and All Buyouts outperformed over the 5yr, 10yr and 15yr periods.
- Returns from NYSTRS' VC/Growth portfolio outperformed in all periods.

Private Debt	% of Total Portfolio NAV	1-Year	3-Year	5-Year	7-Year
NYSTRS Total PD	100%	6.2%	**8.1%**	**8.6%**	8.8%
Direct Lending	68%	6.2%	**8.5%**	**9.1%**	**9.2%**
Distressed	0%	N/A	N/A	-0.1%	1.5%
Mezzanine	7%	**12.3%**	**10.2%**	**11.0%**	**13.1%**
Special Situations	25%	4.4%	6.2%	6.6%	6.6%
Cambridge Private Debt		6.5%	6.8%	8.6%	9.2%

- Returns from NYSTRS' Direct Lending outperformed over the 3yr, 5yr and 7 yr periods.
- Mezzanine outperformed in all periods.

Sources:

Cambridge Associates PD pooled return (all geographies/all strategies) distirbuted by S&P Dow Jones Indices

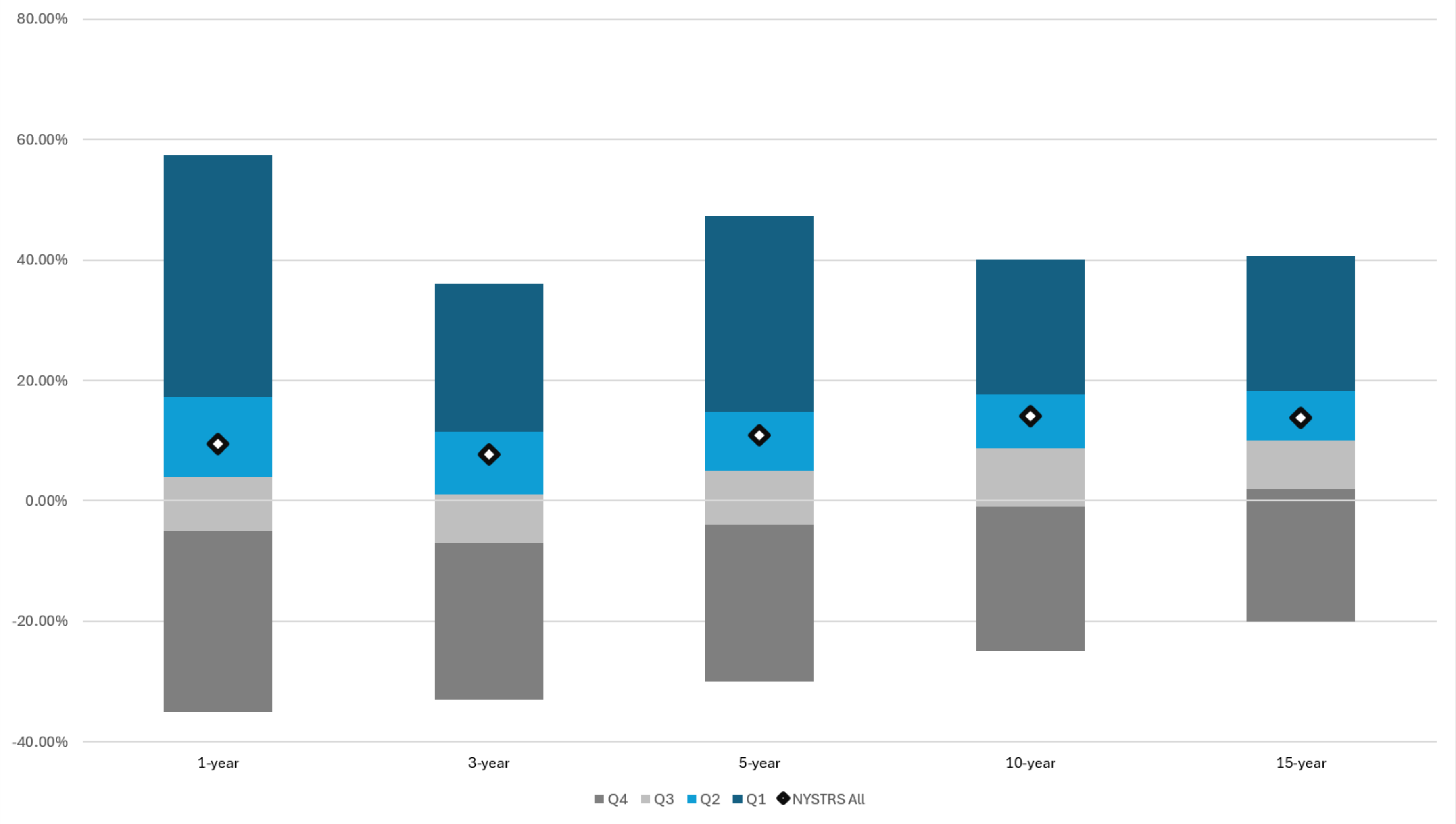
Cambridge Associates PE pooled return (Buyouts, Venture and Growth Equity for all geographies) distirbuted by S&P Dow Jones Indices

Cambridge Assoicates VC/Growth Equity pooled return (all geographies/all strategies) distributed by S&P Dow Jones Indices

NYSTRS' IRR's ITD per SPI (StepStone's reporting platform)

Note: Cambridge Returns are preliminary with final returns not avaiable at time of publishing this report.

NYSTRS' 12/31/25 Private Equity Net IRR Quartile Rankings by Horizon Period vs. Cambridge PE Benchmark



- NYSTRS ranks in the 2nd quartile for all time periods.

Sources: SPI/StepStone Reporting Platform; Cambridge Associates Private Equity Benchmark (Buyouts, Venture, Growth, Fund of Funds, Secondary Funds for all geographies) distributed by Dow Jones S&P Indices

New York State Teachers' Retirement System

Public Equities Managing Director Update

Sandra Maria Schaufler, CFA
Public Equities

Public Equity MD Update

	Mkt Val	Asset Allocation %			Portfolio Net Returns %					Excess Returns %				
	$B*	Actual	Target	Range	Qtr	FYTD	1Y	3Y Ann	5Y Ann	Qtr	FYTD	1Y	3Y Ann	5Y Ann
Public Equities	$ 90.4				15.49	25.21	25.21	20.39	11.97	0.46	0.79	0.79	0.51	0.27
Domestic Equities	$ 56.5	33.71	33	29-37	15.29	23.19	23.19	20.41	13.11	0.02	0.32	0.32	0.19	0.10
Domestic Passive	$ 49.5				15.29	23.14	23.14	20.32	13.07	0.01	0.27	0.27	0.10	0.06
Domestic Active	$ 7.0				15.30	23.45	23.45	21.03	13.47	0.03	0.58	0.58	0.81	0.46
International Equities	$ 26.2	15.63	15	11-19	15.23	28.38	28.38	19.65	9.35	0.74	0.72	0.72	0.83	0.56
International Passive	$ 16.9				14.43	27.96	27.96	19.12	9.06	-0.06	0.31	0.31	0.31	0.27
International Active	$ 9.2				16.89	29.12	29.12	20.71	9.87	2.40	1.47	1.47	1.89	1.08
Global Equities	$ 7.8	4.63	4	0-8	17.58	28.93	28.93	21.09	11.39	2.65	5.26	5.26	1.39	0.41

** Due to rounding, market values may not sum. Note: Data as of 06/30/2026.*

Market Commentary Q2

- Global equities delivered a notably strong quarter in Q2 2026, with most major regions achieving their best quarterly gains since 2020. The rally was fueled by interest in artificial intelligence, a rebound from Middle East war-driven lows, and consistently resilient corporate earnings.
- The Iran conflict and temporary closure of the Strait of Hormuz were the quarter’s defining macro risk events, triggering a sharp oil price spike that intensified inflation pressure and weighed on growth expectations.
- A fragile ceasefire in April sparked a swift risk-on sentiment shift. Nevertheless, monetary policy uncertainty and ongoing volatility across energy markets resulted in periodic market pullbacks.
- Artificial intelligence remained a central market driver, with supply-chain beneficiaries across the US, Taiwan and South Korea extending their leadership and delivering outsized returns.
- The MSCI Emerging Markets index surged 24.05%, its strongest quarterly performance 2009, propelled primarily by AI-exposed companies in Taiwan and Korea.

Portfolio Performance & Activity Q2

- The Public Equities portfolio advanced 15.49% during the quarter.
- All three Public Equities sleeves – Domestic, International and Global outperformed their respective benchmarks.
- A total of $4.99 bn in cash was raised from the Public Equities portfolio during the quarter. $2.5 bn from Domestic Equities, $2.08 bn from International Equities and from $414 mm from Global Equities.
- Public Equities portfolios remain well within target asset allocation ranges.

Callan

July 29, 2026

New York State Teachers' Retirement System

2026 Asset-Liability Results

Thomas Shingler
Fund Sponsor Consulting

Jay Kloepfer
Capital Markets Research

Kevin Machiz, CFA, FRM
Capital Markets Research

Jason Ellement, FSA, CFA
Capital Markets Research

Outline

- Introduction
  - Objective
  - Key Assumptions & Methodology
- Asset Allocation Recommendation
  - Asset Allocation Mixes
- Asset-Liability Projections
  - Compare Asset Mixes

Objective

- The objective of the asset-liability study is to determine a long-term strategic asset allocation – the optimal mix between equity and debt investments
  - 80-90% of funded status volatility is driven by the broad asset allocation decision

72% Equity	**28% Debt**
33% US Equity 15% Int'l Equity 4% Global Equity 11% Real Estate Equity 9% Private Equity	16% US Fixed Income 2% Global Fixed Income 6% Real Estate Debt 2% Private Credit 1% High Yield 1% Cash

- Asset allocation will vary by the unique circumstances of the System; no "one-size-fits-all" solution exists
- A full asset-liability study helps NYSTRS quantify the impact that different strategies might have on important metrics:
  - Employer Contribution Rate
  - Projected Funded Status
  - Ultimate Net Cost
  - Liquidity Needs
- Asset-liability studies are recommended every 3-5 years (last study for NYSTRS in 2021)
  - The current study falls in the regular cadence and was not initiated due to current market conditions

Key Assumptions & Methods

Investment Policy

- Callan 2026-2055 capital market assumptions

Funding Policy

- Aggregate Cost Method for calculation of Employer Normal Cost Rate
- Entry Age Normal for calculation of Funded Status
- Participants contribute 3-6% of pay towards fund
- Liability discount rate is 6.95% across all Mixes
- Actuarial Value of Assets smooths gains and losses over a five-year period

Benefits Policy

- Final Average Salary benefit, COLAs provided
- Six tiers of benefits for participants, 2026 retirement age lowered
- 6/30/2025 census data projected to 30 years
- Assume constant active population for projection
- Liabilities vary with simulated inflation

Callan updated its analysis in 2026 to reflect an announced change in benefit policy lower the retirement age

New Tier 6 Legislation

- Tier 6 legislation increases the Employer Contribution Rate (ECR) beginning with the 6/30/2026 valuation by approximately 0.46% of pay, or $94.9 million per year
- The Tier 6 legislation was integrated into the following Asset-Liability results, impacting plan liabilities and future cash flows modestly
- The Recommendation from April is unchanged

Summary of Legislation

Legislation Change	Impact
Earlier unreduced retirement eligibility	Members with 30+ years may retire without reduction at age 58 instead of 63
Contribution rate extension	Tier 6 member contribution rates continue to be based solely on annual wages through FY 2028 (exclusion of extracurricular pay)

Source: NYSTRS Actuary

Recommendation

- Callan recommends de-risking the Strategic Asset Allocation, reducing public equities by 5 percentage points over 5 years; called "Path5" in charts that follow
  - The recommended de-risking path increases Cash and Core US Fixed Income
  - The Cash allocation increases in the first year to help with liquidity management as net outflows are expected to increase
  - Complexity of implementation is relatively low as all changes occur within liquid public market asset classes
  - Callan recommends annually monitoring asset allocation and market conditions as the expected de-risking path is implemented
- Any meaningful changes to funding policy or benefit policy would support reviewing the analysis
- The recommendation to de-risk is supported by the plan's strong current and expected funded status
  - Expected funded status after 10 years is slightly lower for Path5 than for the Current Target, but the recommendation maintains a strong chance of keeping funded status above 100% and offers some downside protection in a worse-case scenario (see page 11)

NYSTRS Asset Allocation – 10-Year Time Horizon

Asset Class	Target Weight	7/1/2030 Allocation Path 5% Y5	7/1/2030 Allocation Path 10% Y5	7/1/2030 Difference Path 5% Y5	7/1/2030 Difference Path 10% Y5
Public Equity	**52.0%**	**47.0%**	**42.0%**	**-5.0%**	**-10.0%**
Broad US Equity (1)	33.0%	31.0%	30.0%	-2.0%	-3.0%
Global Ex-US Equity (2)	15.0%	12.0%	12.0%	-3.0%	-3.0%
Global Equity (3)	4.0%	4.0%	0.0%	0.0%	-4.0%
Private Market Equity	**20.0%**	**20.0%**	**20.0%**	**0.0%**	**0.0%**
Real Estate Equity (4)	11.0%	11.0%	11.0%	0.0%	0.0%
Private Equity	9.0%	9.0%	9.0%	0.0%	0.0%
Private Debt	**2.0%**	**2.0%**	**4.0%**	**0.0%**	**2.0%**
Private Debt	2.0%	2.0%	4.0%	0.0%	2.0%
Fixed Income	**25.0%**	**29.0%**	**32.0%**	**4.0%**	**7.0%**
Core US Fixed Income	16.0%	20.0%	21.0%	4.0%	5.0%
Global Fixed Income (5)	2.0%	2.0%	3.0%	0.0%	1.0%
Real Estate Debt (6)	6.0%	6.0%	6.0%	0.0%	0.0%
High Yield	1.0%	1.0%	2.0%	0.0%	1.0%
Cash Equivalents	**1.0%**	**2.0%**	**2.0%**	**1.0%**	**1.0%**
Cash Equivalents	1.0%	2.0%	2.0%	1.0%	1.0%
Inflation					
Total Equity (% of Portfolio)	**72.0%**	**67.0%**	**62.0%**	**-5.0%**	**-10.0%**
Total Debt (% of Portfolio)	**28.0%**	**33.0%**	**38.0%**	**5.0%**	**10.0%**
US Equity (% of Public Equity)	**68.1%**	**71.1%**	**71.4%**	**3.0%**	**3.4%**
Total Fund	**100.0%**	**100.0%**	**100.0%**		
10-Year Expected Return	**7.33%**	**7.19%**	**7.13%**	**-0.14%**	**-0.20%**
Annualized Standard Deviation	13.27%	12.42%	11.90%	-0.85%	-1.37%
Projected Yield	2.70%	2.78%	2.99%	0.09%	0.30%
Sharpe Ratio	0.33	0.34	0.35	0.01	0.02

For Path5 and Path10, projections for expected return and risk over a 10-year horizon shown for the end point of each de-risking path (Year 5)

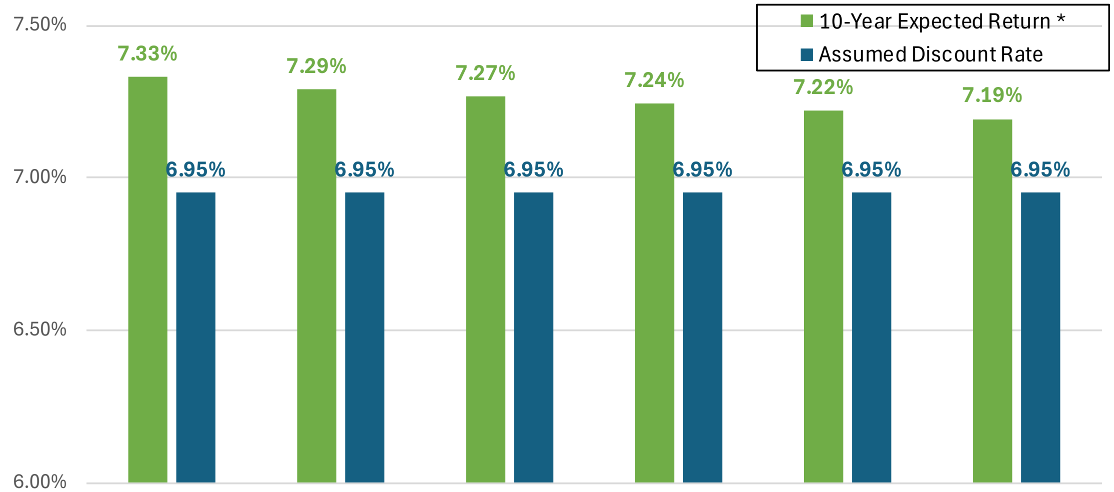
(1) Broad US equity = 85% large cap, 15% mid and small cap
(2) Global ex-US equity = 75% developed markets, 25% emerging markets
(3) Global Equity = 60% broad US, 40% global ex-US
(4) RE Equity (Customized) = 55% core, 30% non-core, 15% REITs
(5) Global fixed income (Customized) = 70% global, 10% global corporate, 20% emerging debt USD IG
(6) Real estate debt (Customized) = 80% commercial mortgages/20% private mezzanine debt
Non-US dollar fixed income currency exposure hedged to US dollar in Callan assumption.
Source: Callan LLC

5-Year De-Risking Path to 67% Total Equity (Details of Path5)

Asset Class	Target Weight	7/1/2026 Allocation Path 5% Y1	7/1/2027 Allocation Path 5% Y2	7/1/2028 Allocation Path 5% Y3	7/1/2029 Allocation Path 5% Y4	7/1/2030 Allocation Path 5% Y5	7/1/2030 Difference Path 5% Y5
Public Equity	**52.0%**	**51.0%**	**50.0%**	**49.0%**	**48.0%**	**47.0%**	**-5.0%**
Broad US Equity (1)	33.0%	32.5%	32.0%	31.5%	31.0%	31.0%	-2.0%
Global Ex-US Equity (2)	15.0%	14.5%	14.0%	13.5%	13.0%	12.0%	-3.0%
Global Equity (3)	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	0.0%
Private Market Equity	**20.0%**	**20.0%**	**20.0%**	**20.0%**	**20.0%**	**20.0%**	**0.0%**
Real Estate Equity (4)	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	0.0%
Private Equity	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	0.0%
Private Debt	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**0.0%**
Private Debt	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%
Fixed Income	**25.0%**	**25.0%**	**26.0%**	**27.0%**	**28.0%**	**29.0%**	**4.0%**
Core US Fixed Income	16.0%	16.0%	17.0%	18.0%	19.0%	20.0%	4.0%
Global Fixed Income (5)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%
Real Estate Debt (6)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	0.0%
High Yield	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.0%
Cash Equivalents	**1.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**1.0%**
Cash Equivalents	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.0%
Inflation							
Total Equity (% of Portfolio)	**72.0%**	**71.0%**	**70.0%**	**69.0%**	**68.0%**	**67.0%**	**-5.0%**
Total Debt (% of Portfolio)	**28.0%**	**29.0%**	**30.0%**	**31.0%**	**32.0%**	**33.0%**	**5.0%**
US Equity (% of Public Equity)	**68.1%**	**68.4%**	**68.8%**	**69.2%**	**69.6%**	**71.1%**	**3.0%**
Total Fund	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	
10-Year Expected Return	**7.33%**	**7.29%**	**7.27%**	**7.24%**	**7.22%**	**7.19%**	**-0.14%**
Annualized Standard Deviation	13.27%	13.10%	12.93%	12.76%	12.60%	12.42%	-0.85%
Projected Yield	2.70%	2.70%	2.73%	2.75%	2.77%	2.78%	0.09%
Sharpe Ratio	0.33	0.33	0.33	0.33	0.34	0.34	0.01

(1) Broad US equity = 85% large cap, 15% mid and small cap
(2) Global ex-US equity = 75% developed markets, 25% emerging markets
(3) Global Equity = 60% broad US, 40% global ex-US
(4) RE Equity (Customized) = 55% core, 30% non-core, 15% REITs
(5) Global fixed income (Customized) = 70% global, 10% global corporate, 20% emerging debt USD IG
(6) Real estate debt (Customized) = 80% commercial mortgages/20% private mezzanine debt
Non-US dollar fixed income currency exposure hedged to US dollar in Callan assumption.
Source: Callan LLC

Path5 (5-Year De-Risking Path to 67% Total Equity)

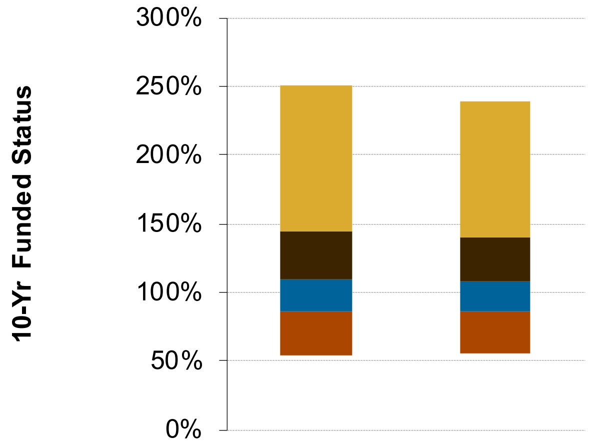


	Path5 (5-Year De-Risking Plan)						
	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030	6/30/2031	Change
10-Year Expected Return *	7.33%	7.29%	7.27%	7.24%	7.22%	7.19%	**-0.14%**
Assumed Discount Rate	6.95%	6.95%	6.95%	6.95%	6.95%	6.95%	**0.00%**
Difference	0.38%	0.34%	0.32%	0.29%	0.27%	0.24%	
Public Equity	52.0%	51.0%	50.0%	49.0%	48.0%	47.0%	**-5.00%**
Private Market Equity	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	0.00%
Private Debt	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**0.00%**
Fixed Income	25.0%	25.0%	26.0%	27.0%	28.0%	29.0%	**4.00%**
Cash Equivalents	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**1.00%**
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%

** Based on Callan 2026 Capital Market Assumptions*

- The 5-Year De-Risking Path reduces public equity 1% per year for 5 years
  - Expected return would fall 14 bps over the 5-year period; expected risk drops 85 bps over the 5-year period
  - Improves risk-adjusted return
  - Discount rate is not assumed to change
- The De-risking Path transitions from public equity to public fixed income and cash, easing implementation – private market allocations are unchanged

Funded Status After 10 Years

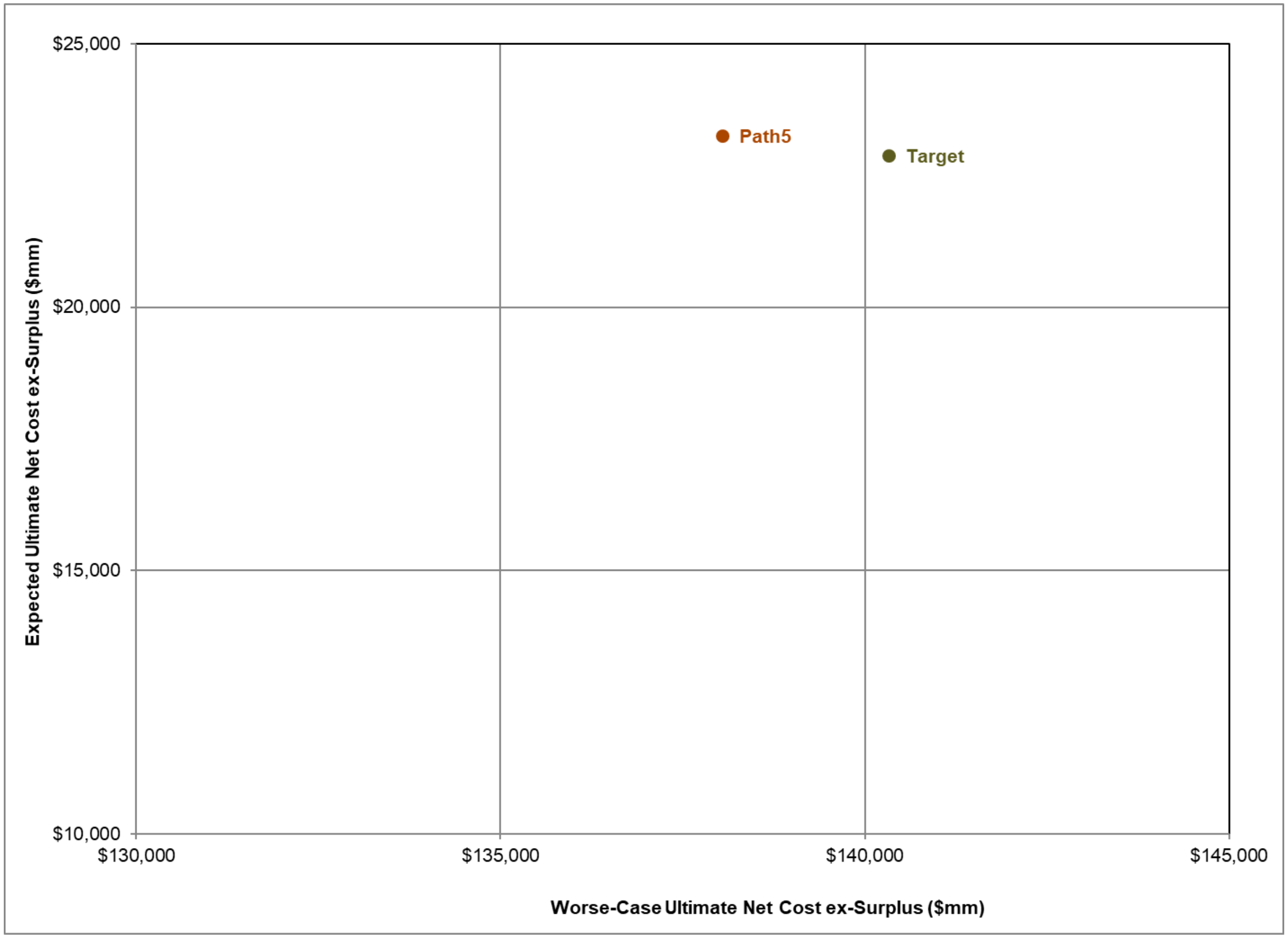


Percentile	Target	Path5
2.5th	251%	239%
25th	144%	141%
50th	109%	108%
75th	85%	85%
97.5th	54%	55%
10-Year Return	7.33%	7.23%
10-Year Std Dev	13.27%	12.60%
Prob (>100%)	59%	58%

- At the end of 10 years, expected funded status for the Current Target is 109%
- Expected funded status is slightly lower for Path5 (108%), but the recommendation maintains a strong chance of keeping funded status above 100% and offers some downside protection in a worse-case scenario

Funded Status here is defined as Market Value of Assets divided by Actuarial Liability. Actuarial Liability is based on the Entry Age Normal cost allocation method.

10-Year Ultimate Net Cost ex-Surplus ($mm)



Ultimate Net Cost ex-Surplus = 10-Year Cumulative Contributions + Max(6/30/2035 Unfunded PVB, 0)

– Captures what is expected to be paid over 10 years plus what is still owed at the end of the 10-year period (excluding overfunding)
– The bottom left corner is most desirable as it lowers expected cost and worse-case cost

Path5's attractive tradeoff: slightly increases ***expected*** UNC ex-Surplus but results in a lower ***worse case*** UNC

Unfunded Present Value of Future Benefits (PVB) is defined as Present Value of Future Benefits minus Market Value of Assets. "Surplus" here occurs when Market Value of Assets exceeds PVB.

NYSTRS Current and Proposed Year 1 Target Allocations and Ranges

Asset Class	Current Target	Current Target Range Allocations	Proposed Target Year 1	Recommended Target Range
Domestic Equity	33%	29 - 37%	32.5%	28.5 - 36.5%
International Equity	15%	11 - 19%	14.5%	10.5 - 18.5%
Global Equity	4%	0 - 8%	4%	0 - 8%
Domestic Fixed Income	16%	12 - 20%	16%	12 - 20%
Real Estate Equity	11%	6 - 16%	11%	6 - 16%
Real Estate Debt	6%	2 - 10%	6%	2 - 10%
Private Equity	9%	4 - 14%	8%	4 - 14%
Private Credit	2%	0.5 - 5%	2%	0.5 - 5.0%
Global Bonds	2%	0 - 4%	2%	0 - 4%
High Yield Bonds	1%	0 - 3%	1%	0 - 3%
Short Term Investments (Cash Equivalents)	1%	0 - 4%	2%	0 - 5%

Note that a floor of 0% on the target range does not imply that the target allocation can be eliminated without Board approval.

- Proposed asset allocation target and range changes noted in red.
- Public equity ranges remain the same (+/- 4%) but absolute numbers reduced to reflect lower target.
- Short-term cash floor remains 0%, but Target increases to 2% and ceiling increases to 5% in consideration of the maturity of the pension plan, recurring demands on cash, and potential for declining contributions.

Appendix

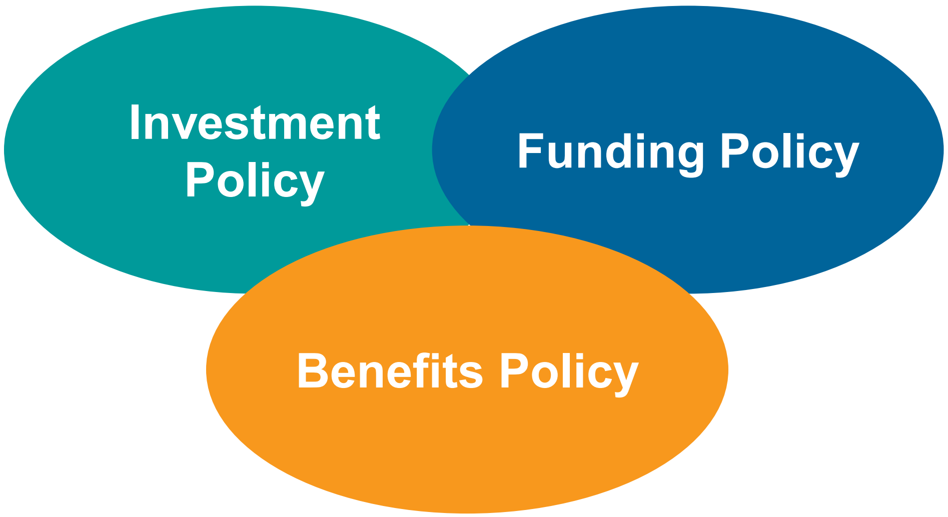
Where Does Asset Allocation Fit In?

Integration of Key Operational Policies

We evaluate the interaction of the three key policies that govern a retirement plan with the goal of establishing the best investment policy

Investment Policy

- How will the assets supporting the benefits be invested?
- What risk and return objectives?
- How to manage cash flows?



Funding Policy

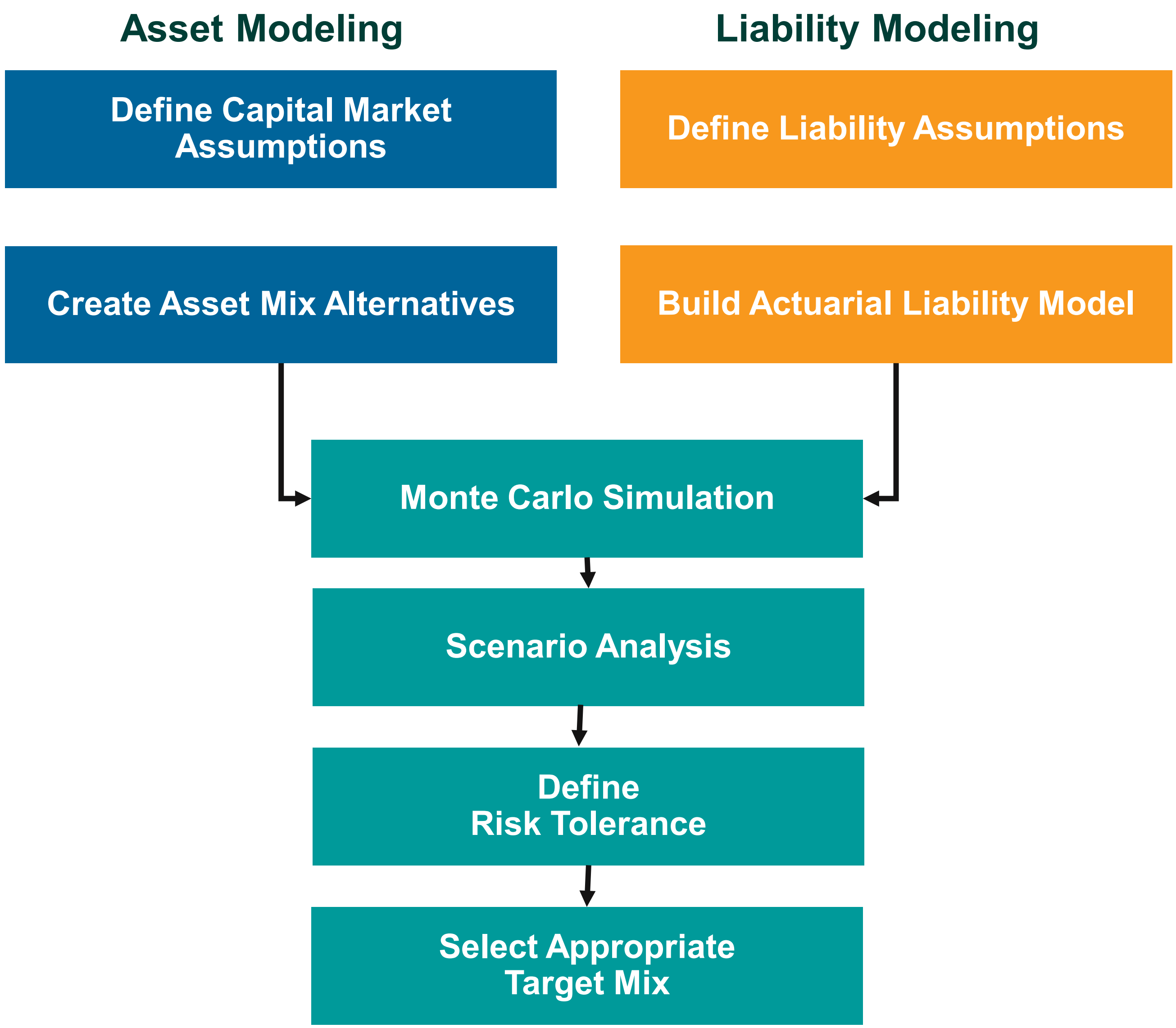
- How will the benefits/deficits be paid for (funded)?
- What are the actuarial assumptions to use?

Benefits Policy

- What type/kind of benefits?
- What level of benefit?
- When and to whom are they payable?

Scope

Callan Asset-Liability Modeling Process



Callan 2026-2035 Capital Market Assumptions

		PROJECTED RETURN		PROJECTED RISK	
Asset Class	**Index**	**10-Year Expected**	**Real**	**Standard Deviation**	**Projected Yield**
Equities					
Broad US Equity	Russell 3000	7.35%	4.85%	17.35%	1.45%
Large Cap US Equity	S&P 500	7.25%	4.75%	17.00%	1.50%
Small/Mid Cap US Equity	Russell 2500	7.45%	4.95%	22.00%	1.25%
Global ex-US Equity	MSCI ACWI ex USA	7.45%	4.95%	21.25%	3.20%
Developed ex-US Equity	MSCI World ex USA	7.25%	4.75%	20.15%	3.25%
Emerging Market Equity	MSCI Emerging Markets	7.45%	4.95%	25.65%	3.05%
US REITS	NAREIT All Equity	6.95%	4.45%	20.90%	4.20%
Fixed Income					
Short Duration Gov't/Credit	Bloomberg 1-3 Yr G/C	3.90%	1.40%	2.40%	3.65%
Core US Fixed	Bloomberg Aggregate	4.75%	2.25%	4.45%	4.55%
Global ex-US Fixed	Bloomberg Glbl Agg xUSD	2.90%	0.40%	9.80%	2.85%
TIPS	Bloomberg TIPS	4.50%	2.00%	5.40%	4.20%
High Yield	Bloomberg High Yield	5.90%	3.40%	11.75%	8.05%
Bank Loans	Morningstar LSTA US Leveraged Loan	6.00%	3.50%	9.90%	7.95%
EMD	EMBI Global Diversified	5.00%	2.50%	10.70%	7.25%
Alternatives					
Core Real Estate	NCREIF ODCE	6.25%	3.75%	14.00%	4.00%
Private Infrastructure	MSCI Glb Infra/FTSE Dev Core 50/50	6.35%	3.85%	15.20%	4.90%
Private Equity	Cambridge Private Equity	8.50%	6.00%	27.60%	0.00%
Private Credit	Cambridge Senior Debt Index	7.25%	4.75%	15.70%	7.25%
Hedge Funds	Callan Hedge FoF Database	5.70%	3.20%	8.20%	0.00%
Commodities	Bloomberg Commodity	3.90%	1.40%	18.05%	3.00%
Cash Equivalents	90-Day T-Bill	3.00%	0.50%	0.90%	3.00%
Inflation	CPI-U	2.50%		1.60%	

Expected return and risk shown in the above table reflect standardized asset classes published by Callan. Some asset class assumptions were customized for NYSTRS.

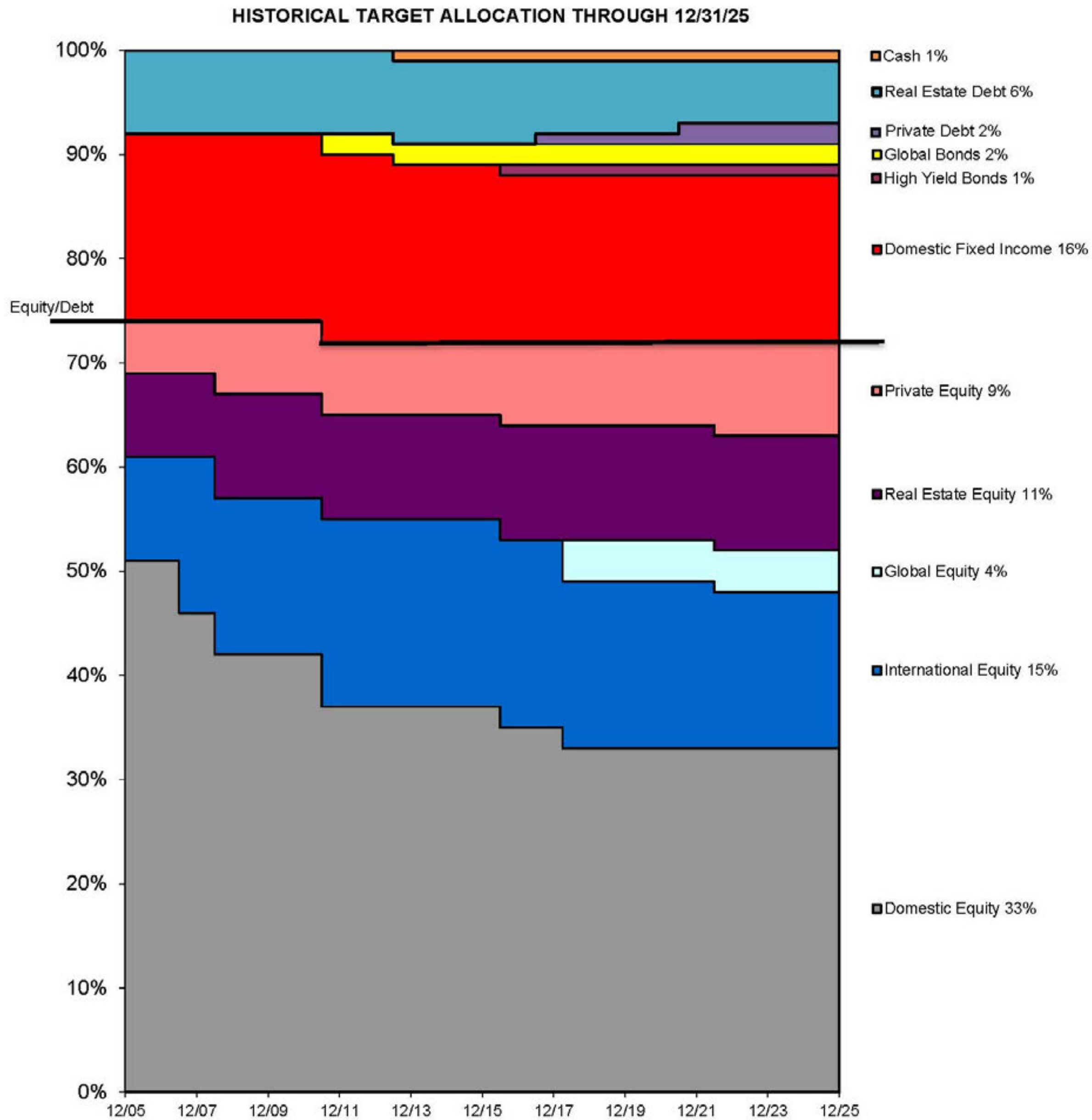
NYSTRS Asset Allocation Target Over Time

NYSTRS' target asset allocation has evolved steadily over the past two decades

Diversifying strategies have been added or increased, funded primarily from domestic equity

- International equity
- Private equity
- Real estate equity
- Global equity
- Global fixed income
- Private credit
- High Yield bonds

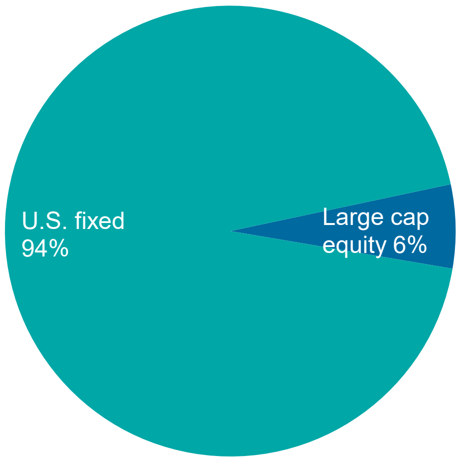
NYSTRS has maintained a deliberate allocation to high-quality fixed income over time



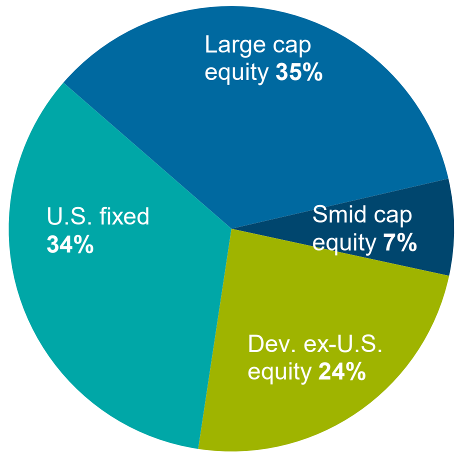
Source: NYSTRS, Office of the CFO/Investment Operations Department

Building 7% Expected Return Portfolios Over Past 30 Years

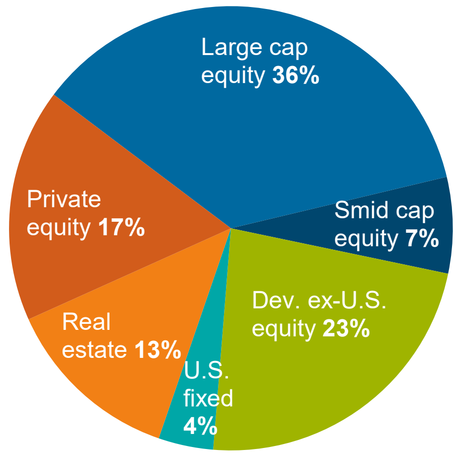
Increasing Complexity



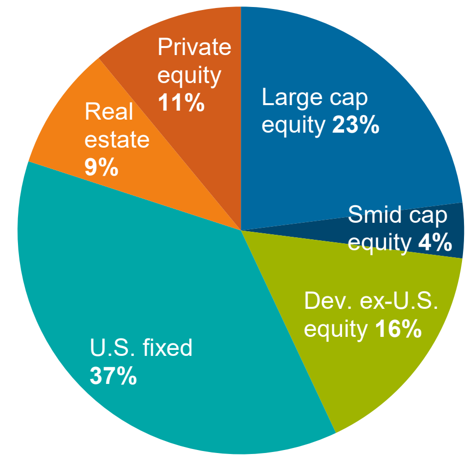
1996
Return: 7.0%
Risk: 5.8%



2011
Return: 7.0%
Risk: 11.8%



2022
Return: 7.0%
Risk: 16.8%



2026
Return: 7.0%
Risk: 11.0%

Increasing Risk

In 1996, our expectation for broad U.S. fixed income was 6.8%.

Only 6% in return-seeking assets was required to earn a 7% projected return.

15 years later, an investor would have needed two-thirds of the portfolio in public equities to achieve a 7% projected return, with double the portfolio volatility of 1996.

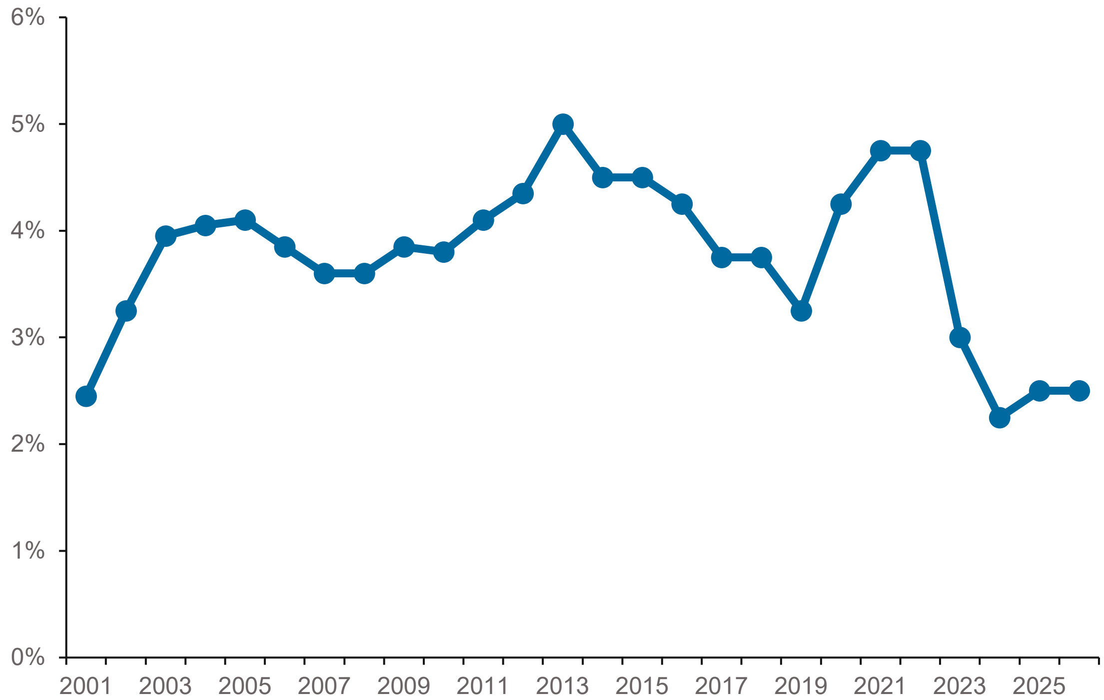
In 2022 an investor was required to include 96% in return-seeking assets (including 30% in private markets investments) to earn a 7% projected return at almost 3x the volatility compared to 1996.

Today's 7% expected return portfolio is much more reasonable than it was just four years ago. The allocation to fixed income jumps to 37%, while risk is just two-thirds what it was in 2022.

Callan's Equity Risk Premia Forecasts Over Time

S&P 500 forecast minus Bloomberg Aggregate forecast

Forecasted Equity Risk Premium vs. Bonds



Callan's forecasted return spread between the S&P 500 and the Bloomberg Aggregate (2.50%) remains narrow, suggesting lower expected relative compensation for taking equity risk.

Forecasts are annualized over 10 years.

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New York State Teachers' Retirement System

Investment Policy Framework

Restructuring Overview

Presented by

Emily Ekland

Sandra Maria Schaufler, CFA

July 29th, 2026

Why We Are Proposing a Restructuring of the IPM

The 336-page Investment Policy Manual mixes Board-level strategy with day-to-day operating procedure — making it hard to govern, maintain, and communicate.

1

Governance clarity

Hard to tell what the Board adopted versus what NYSTRS staff built to implement it.

2

Usability

One monolithic document serves no audience well — Board, staff, managers, or consultants.

3

Maintenance burden

Every minor update required treatment as a full Board policy amendment.

4

External transparency

Strategy and operating detail were tangled, clouding message to outside parties.

The Proposed Structure: A Three-Tier Investment Policy Framework

TIER 1	**Investment Policy Statement** Strategy, objectives, governance & asset allocation	**Audience:** Retirement Board **Approval:** Board approval
TIER 2	**Asset Class Guidelines & Supporting Policies** Investment parameters, benchmarks & risk limits by program	**Audience:** Staff, managers, consultants **Approval:** Board approval
TIER 3	**Operational Procedures** Day-to-day processes, controls & workflows	**Audience:** Investment & operations staff **Approval:** ED/CIO approval

RESOLUTION RENEWING

Advent Capital Management, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Advent Capital Management, LLC**
NYSTRS Department:	Fixed Income
Original Contract Date:	September 10th, 2024
Approved Renewal Period:	**09/10/2026-09/09/2027**

Mandate	
• Asset Class:	Fixed Income – High Yield
• Account Benchmark:	ICE B of A US High Yield Constrained Index (HUC0)
• Active or Passive:	Active

RESOLUTION ON BAILLIE GIFFORD OVERSEAS LIMITED

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Baillie Gifford Overseas Limited**
NYSTRS Department:	Public Equities
Approved Renewal Period:	9/15/2026 – 9/14/2027

Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active

RESOLUTION RENEWING

BlackRock Financial Management, Inc.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**BlackRock Financial Management, Inc.**
NYSTRS Department:	Fixed Income
Original Contract Date:	October 6th, 2023
Approved Renewal Period:	**10/06/2026-10/05/2027**

Mandate	
• Asset Class:	Fixed Income – Global Bonds – Carbon Transition
• Account Benchmark:	Bloomberg Global Aggregate Corporate Bond Index (in USD hedged to USD)(H03435US)
• Active or Passive:	Active

Investment Committee Meeting July 29, 2026

RESOLUTION RENEWING BLUE OWL REAL ESTATE DEBT ADVISORS

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Blue Owl Real Estate Debt Advisors**
NYSTRS Department:	Real Estate
Approved Renewal Period:	8/13/2026 – 8/12/2027

Mandate	
• Asset Class:	Commercial Mortgage-Backed Securities, Private Debt Investments
• Account Benchmark	Public: Bloomberg US CMBS 2.0+75bps Private: GL Crossover Tranche
• Active or Passive:	Active

Investment Committee Meeting July 29, 2026

RESOLUTION RENEWING DIMENSIONAL FUND ADVISORS, L.P.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Dimensional Fund Advisors, L.P.**
NYSTRS Department:	Real Estate
Approved Renewal Period:	9/22/2026 – 9/21/2027

Mandate	
• Asset Class:	Global Real Estate Investment Trusts
• Account Benchmark	FTSE EPRA Nareit Developed TR
• Active or Passive:	Active

Investment Committee Meeting July 29, 2026

RESOLUTION RENEWING HEITMAN, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Heitman, LLC**
NYSTRS Department:	Real Estate
Approved Renewal Period:	8/07/2026 – 8/06/2027

Mandate	
• Asset Class:	Global Real Estate Investment Trusts
• Account Benchmark	FTSE EPRA Nareit Developed TR
• Active or Passive:	Active

RESOLUTION RENEWING

Pacific Investment Management Company LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Pacific Investment Management Company LLC (PIMCO)**
NYSTRS Department:	Fixed Income
Original Contract Date:	October 6th, 2023
Approved Renewal Period:	**10/6/2026-10/5/2027**

Mandate	
• Asset Class:	Fixed Income – Global Bonds – Carbon Transition
• Account Benchmark:	Bloomberg Global Aggregate Corporate Bond Index (in USD hedged to USD) (H03435US)
• Active or Passive:	Active

RESOLUTION ON T. ROWE PRICE ASSOCIATES, INC.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**T. Rowe Price Associates, Inc.**
NYSTRS Department:	Public Equities
Approved Renewal Period:	10/30/2026 – 10/29/2027

Mandate	
• Asset Class:	Domestic Equities
• Account Benchmark:	S&P 500 Index
• Active or Passive:	Active

RESOLUTION ON WILLIAM BLAIR INVESTMENT MANAGEMENT, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**William Blair Investment Management, LLC**
NYSTRS Department:	Public Equities
Approved Renewal Period:	9/22/2026 – 9/21/2027

Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active

I. Introduction

This section of the NYSTRS Investment Policy Manual sets forth the investment discretion duly delegated by the Retirement Board to the Investment Committee of the Retirement Board and to the Executive Director and Chief Investment Officer, and his designees, as applicable.

Pursuant to § 136-1.6(c) of Title 11 of the New York Codes, Rules and Regulations of the New York State Department of Financial Services, the Retirement Board, may, consistent with its fiduciary duties, delegate its powers of investment to a committee, System staff or agents within well-defined guidelines, subject to review by the Retirement Board.

The Retirement Board shall review and renew the investment discretion delegated to the Executive Director and Chief Investment Officer annually, at the regular meeting of the Retirement Board in July of each calendar year.

II. Investment Discretion Delegated to the Investment Committee of the Retirement Board

The Investment Committee of the Retirement Board, by unanimous vote, is authorized, between meetings of the Retirement Board, to invest in or otherwise sell or dispose of any System investment, without regard to amount, when (a) the subject transaction is recommended by the Executive Director and Chief Investment Officer, (b) the subject transaction exceeds the limits on investment discretion delegated to the Executive Director and Chief Investment Officer described in Section III below, and (c) the closing of such transaction, in the judgment of the Executive Director and Chief Investment Officer, does not allow for the consideration of such investment at a regular meeting of the Board.

III. Investment Discretion Delegated to the Executive Director and Chief Investment Officer

Under the System's Bylaws, the Executive Director and Chief Investment Officer is authorized to "invest the funds of the System committed to the management of System staff in accordance with the directions, policies and procedures established by the Board…" The Executive Director and Chief Investment Officer, as well as such System staff as he may authorize, is responsible to exercise the delegated investment discretion powers to administer the System consistent with the policies and decisions adopted by the Retirement Board, the applicable laws of New York and the policies contained in the Investment Policy Manual, as follows:

A. Cash Management

The Executive Director and Chief Investment Officer, in consultation with the Internal Investment Committee, is authorized to: manage the assets of the System so as to assure sufficient cash is available at all times to pay the System's benefit and other obligations as they come due; assure that the System's asset allocation as approved by the Retirement Board is achieved and maintained; and assure sufficient funds are available for the funding of such investments as have duly been authorized by the Retirement Board, the Investment Committee of the Retirement Board and the Executive Director and Chief Investment Officer, as applicable, and to take all such actions as he may deem necessary or required in his discretion to achieve the foregoing objectives.

B. Selection of Brokers and Dealers

The Executive Director and Chief Investment Officer, or his designees managing internal fixed income and public equity portfolios, has discretion to select among brokers and dealers to execute a transaction to the best advantage of the System in accordance with the applicable policies in the Investment Policy Manual.

C. Cash Investments

The Executive Director and Chief Investment Officer, or his designees, has full investment discretion to invest the System's cash in short-term fixed income securities in accordance with the short-term investment (cash equivalents) and asset allocation policies, so as to provide liquidity, enhance System income and provide for temporary investment of System funds.

D. Public Markets Portfolios

For purposes of this section of the policy, "public markets" portfolios of the System include any Public Equities, Fixed Income or Real Estate public markets portfolios, including but not limited to Domestic Equity, International Equity, Global Equity, Domestic Fixed income, Global Fixed Income, High Yield Fixed Income, REIT and CMBS.

Provided that sufficient cash is available to meet obligations, and asset classes remain within the asset allocation ranges as approved annually by the Retirement Board, the Executive Director and Chief Investment Officer, or his designees, is authorized to exercise the investment discretion delegated below with respect to public markets portfolios:

Existing Managers. The Executive Director and Chief Investment Officer, or his designees, is authorized to reallocate among existing public markets portfolios, whether internally or externally managed, and whether actively or passively managed, and reallocate to and from cash, without regard to amount.

New Managers. (a) Up to $1 Billion. The Executive Director and Chief Investment Officer, upon recommendation of the Internal Investment Committee, has the authority to engage any new investment manager for any public markets portfolio for an initial investment of up to $1 billion in accordance with the following procedure.

Prior to any such engagement, the Executive Director and Chief Investment Officer shall notify the Investment Committee of the Retirement Board that an engagement is being authorized. Upon notification by the Executive Director and Chief Investment Officer, the Investment Committee of the Retirement Board may require that a meeting of the Retirement Board be held to authorize the engagement of the new investment manager. The following language shall be included in the Executive Director and Chief Investment Officer's transmittal to the Investment Committee of the Retirement Board:

Place engagement on the Investment Committee of the Retirement Board meeting agenda: Yes____ No___

The Executive Director and Chief Investment Officer shall exercise his/her authority to engage the new investment manager if all members of the Investment Committee of the Retirement Board vote "No".

(b) Over $1 Billion. No new investment manager for which initial investment exceeds $1 billion shall be engaged without Retirement Board authorization.

Termination of Managers.

(a) Termination under Non-Exigent Circumstances. In the absence of exigent circumstances (as described in paragraph (b) below), the Executive Director and Chief Investment Officer has the authority to terminate any existing investment manager in accordance with the following procedure.

Prior to any such termination, the Executive Director and Chief Investment Officer shall notify the Investment Committee of the Retirement Board that a termination is being authorized. Upon notification by the Executive Director and Chief

Investment Officer, the Investment Committee of the Retirement Board may require that a meeting of the Retirement Board be held to authorize the termination of the existing investment manager. The following language shall be included in the Executive Director and Chief Investment Officer's transmittal to the Investment Committee of the Retirement Board:

Place termination on the Investment Committee of the Retirement Board meeting agenda: Yes___ No___

The Executive Director and Chief Investment Officer shall exercise his/her authority to terminate the existing investment manager if all members of the Investment Committee of the Retirement Board vote "No".

(b) Termination under Exigent Circumstances. The Executive Director and Chief Investment Officer has the authority to terminate any existing investment manager under exigent circumstances that include, without limitation, departure of key persons, regulatory events, bankruptcy or insolvency, fraud or other bad acts, in each case, as determined by the Executive Director and Chief Investment Officer exercising reasonable judgment. Such termination under exigent circumstances is authorized without the need to follow the procedure set forth in paragraph (a) above.

E. Private Markets Portfolios

The Executive Director and Chief Investment Officer, upon recommendation of the Internal Investment Committee, or his designees, is authorized to invest in or sell or dispose of any of the following types of investment, subject to the following limitations:

Type	Investment Discretion	Disposition Discretion
Private Equity funds, Private Debt funds, and Real Estate Debt or Equity funds	Up to $300 million(1)	Without regard to amount
Real Estate Direct Debt transactions	Up to $300 million(2) (with REAC approval)	Up to $300 million(3) (with REAC approval)
Real Estate Direct Equity transactions	Up to $300 million(4) (with REAC approval)	Up to $300 million(4) (with REAC approval)

[1] Investments in "funds" include, without limitation, commingled funds, funds-of-one, funds-of-funds, closed-end funds or open-end funds. Such investments may be made through, without limitation, new funds, successor funds, additions to existing funds or secondary purchases. Multiple, contemporaneous investments into the same fund intended as part of a single overall investment shall, in the aggregate, be subject to the $300 million limitation without duplication.

[2] Investments in Real Estate Direct Debt include, without limitation, new loans, refinancings or additional financings. Multiple, contemporaneous loans that are intended as part of a single overall investment (for example, where multiple assets are involved) shall, in the aggregate, be subject to the $300 million limitation without duplication.

[3] For dispositions of Real Estate Direct Debt, the $300 million limitation refers to the aggregate outstanding principal balance and accrued interest, without regard to sale price. The disposition of a package of loans that are intended as part of a single overall disposition (for example, where multiple assets are involved) shall, in the aggregate, be subject to the $300 million limitation without duplication.

[4] For investments in Real Estate Direct Equity, the $300 million limitation refers to the amount allocable to NYSTRS' share of the equity investment (not the overall transaction value). For dispositions of Real Estate Direct Equity, the $300 million limitation refers to the portion of the sale price or consideration allocable to NYSTRS' share of the equity investment (not the overall transaction value).

F. Derivatives & Other Instruments

The Executive Director and Chief Investment Officer, or designees, is authorized to~~:~~ implement the use of derivatives and other instruments as permitted in this Investment Policy Manual under Statement of Investment Policy—VIII. Use of Derivatives & Other Instruments.

~~1. Internally Managed Public Equities Portfolios:~~
   ~~a. sell covered calls~~
   ~~b. use futures with a notional value of up to $2 billion, for the purposes of minimizing asset allocation risk and reducing trading costs.~~

~~2. Internally Managed Fixed Income Portfolios:~~
   ~~a. use interest rate futures to manage portfolio duration~~
   ~~b. trade forward-settling securities in the To-Be-Announced (TBA) market~~
   ~~c. use currency forwards for the purposes of trade settlement or managing currency risk~~

G. Securities Lending

The Executive Director and Chief Investment Officer is authorized to implement a securities lending program in accordance with the securities lending policy, provided the market value of securities loaned shall not exceed 20% of the market value of System invested assets.

H. Limited Waiver of Credit Ratings Requirements for U.S. Government Obligations

The Executive Director and Chief Investment Officer, upon recommendation of the Internal Investment Committee, or his designees, is authorized to waive the credit ratings requirements for U.S. Government Obligations (hereinafter defined) within the following IPM sections:

- Securities Lending—VI. Risk Management—B. Market Risk—2. The STIF—a.(1)
- Domestic Fixed Income Securities—VI. Risk Management—A. Market Risk—2. Credit Rating Restrictions
- Short-Term Investments (Cash Equivalents)—VI. Risk Management—A. Market Risk—2. Credit Rating Restrictions

In exigent circumstances which make it impractical to delay action, in the event of credit ratings downgrade or default status of U.S. Government Obligations resulting from the failure of the U.S. government to raise, suspend or otherwise address the federal debt ceiling (also known as the debt limit or statutory debt limit) in a timely manner.

As used above, "U.S. Government Obligations" means: (a) direct obligations of the United States; (b) direct obligations of any agency or instrumentality of the United States which obligations are expressly backed by the full faith and credit of the United States; (c) obligations the timely payment of principal and interest on which is fully and expressly guaranteed by the United States; or (d) obligations the timely payment of principal and interest on which is fully and expressly guaranteed by any agency or instrumentality of the United States the obligations of which are expressly backed by the full faith and credit of the United States.

I. Quarterly Reports

The Executive Director and Chief Investment Officer shall provide a quarterly report to the Retirement Board on the investment discretion exercised under Section III(D)—Public Markets Portfolios, for reallocations; and Section III(E)—Private Markets Portfolios, for funds and transactions.

Investment Committee Meeting July 29, 2026

RESOLUTION ON INVESTMENT DISCRETION

WHEREAS, The Retirement Board approved the delegations of investment authority set forth in the section of the Investment Policy Manual entitled “Delegation of Investment Authority” at its October 2025 meeting; and

WHEREAS, Said section shall be subject to annual review and renewal at the regular meeting of the Retirement Board in July of each calendar year; be it

RESOLVED, That the delegations of investment authority set forth in said section of the Investment Policy Manual are reauthorized and reconfirmed as the principal items of investment authority delegated to the Executive Director and Chief Investment Officer.

I. Introduction

The New York State Teachers' Retirement System ("System") exists for the exclusive purpose of providing retirement, disability and survivor benefits to System members and their beneficiaries, as prescribed by the laws of New York and its governing statutes and rules and regulations, and to cover reasonable expenses incurred to provide such benefits.

The System was established in 1921 by an act of the New York State Legislature pursuant to Chapter 503 of the Laws of 1920 which was subsequently recodified by Chapter 820 of the Laws of 1947 as Article 11 of the Education Law. The principal statutory authority for the investment of System funds is contained in Section 508 of the Education Law and Section 177 of the Retirement and Social Security Law.

This Investment Policy Manual ("Manual") incorporates the laws, documents, principles and standards that guide the management of the System's investments. The Executive Director and Chief Investment Officer shall administer this Manual pursuant to law and the investment policies adopted by the Retirement Board. This document is intended to be binding upon all persons with authority over the System's assets, including external investment managers/advisors, custodians, consultants, broker-dealers and staff.

The Manual is the result of the System's careful and prudent study. The Manual includes the System's Statement of Investment Policy ("Policy") and sub-policies, which taken together present the Retirement Board's conclusions as to the most suitable combination of investments, within the legal requirements, which will satisfy the System's ongoing obligations to members and their beneficiaries.

II. Purpose of This Manual

The purpose of this Manual is to:

A. Set forth the investment policies, objectives and guidelines the Retirement Board determines to be appropriate, prudent and, in consideration of the System's needs, to comply with current laws and to direct the System's investment activities.

B. Establish criteria to evaluate the System's investment performance.

C. Communicate investment policies, objectives, guidelines and performance criteria to the staff, external investment managers/advisors, consultants, custodians and all other interested parties.

D. Serve as a review document to guide ongoing oversight of the System's investments for compliance with the laws of New York State and applicable federal laws.

E. Demonstrate the Retirement Board's fulfillment of its responsibilities to manage the investments of the System solely in the interest of members and their beneficiaries.

F. Document the Retirement Board's fulfillment of its overall fiduciary responsibilities with respect to the investment of System assets.

III. Responsible Parties and Their Duties

A. The System was established by an act of the New York State Legislature. The Legislature may modify the System's structures through amendment of the laws from time to time. The laws also specify requirements for the System's investments.

B. The Retirement Board is vested under section 504 of the New York Education Law with the responsibility for the general administration and operation of the System. Members of the Retirement Board are fiduciaries and their responsibilities with respect to the System's assets include completing each of the duties below as a prudent expert:

1. Set the policies, objectives and guidelines for investment of the System's assets and evaluate compliance with investment policy and the laws of New York.

2. Study thoroughly each issue affecting the System's investments to make educated and prudent decisions.

3. Select qualified professionals to assist in implementing the investment policies.

4. Evaluate total fund performance as well as all of its distinct components.

5. Oversee risk management for all aspects of the System.

C. Pursuant to §136-1.6(c) of Title 11 of the New York Codes, Rules and Regulations (the Regulations of the New York State Department of Financial Services), the Retirement Board may, consistent with its fiduciary duties, delegate its investment authority to a committee or agent within well-defined guidelines, subject to review by the Retirement Board.

D. The duty of System staff is to administer the System consistent with the policies and decisions of the Retirement Board and the provisions of the laws of New York State and to provide input for the Retirement Board so issues can be studied fully prior to any Retirement Board decision. In addition, staff is responsible for interacting with and managing the System's relationships with outside professionals and other constituencies.

The System's management is responsible for the accuracy of published information, as well as for the maintenance of appropriate internal controls needed to safeguard assets and facilitate the efficient operation of the System.

The responsibilities of executives, managers and internal committees that are involved in the investment process are briefly described below:

1. The Executive Director and Chief Investment Officer shall allocate the available funds to the various investment classes and coordinate the activities of the Managing Director of Fixed Income; Managing Director of Public Equities; Managing Director of Private Equity; and the Managing Director of Real Estate through periodic meetings of the Internal Investment Committee.

2. The Managing Director of Public Equities, with the assistance of investment consultants as the Managing Director deems necessary, shall oversee the selection of external public equity investment managers and monitor those external investment equity managers. The Managing Director of Public Equities shall manage the System's internal public equity portfolios and will manage the disposition of private equity stock distributions with the intent of achieving an orderly liquidation of the securities received.

3. The Managing Director of Private Equity, with the assistance of investment consultants as the Managing Director deems necessary, shall oversee the selection, monitoring and disposition of external private equity and private debt investments.

4. The Managing Director of Real Estate, with the assistance of investment advisors and/or consultants as the Managing Director deems necessary, shall manage the System's investment in direct and commingled equity real estate investments, publicly traded equity real estate securities, commercial mortgages, publicly traded commercial mortgage-backed securities, real estate mezzanine funds and other real estate related investments as required by the Executive Director and Chief Investment Officer.

5. The Managing Director of Fixed Income shall manage the System's internal long-term bond portfolios and shall oversee the short-term bond portfolio to ensure short-term cash is invested to meet the System's operating cash needs. The Managing Director of Fixed Income, with the assistance of investment consultants as the Managing Director deems necessary, shall oversee the selection of external fixed income investment managers and monitor those external fixed income managers. The Managing Director of

Fixed Income shall also oversee the purchase or sale of foreign currencies executed as the result of investment capital calls or distributions and shall monitor the performance of agent securities lenders, with a focus on the lenders' investment of securities lending cash collateral.

6. The Chief Risk Officer shall provide a centralized, coordinating point to facilitate enterprise risk management, which is a comprehensive program to identify, evaluate and address risks to the System's property, interests, investments, members and employees. The Chief Risk Officer works with other executives and managers in establishing effective risk management in their areas of responsibility, monitors progress and assists in reporting relevant risk information throughout the System.

7. The Chief Financial Officer shall maintain the official general ledger of the System, which is supported by various investment sub-ledgers and provides the System's financial statements. In coordination with the Custodial Bank, the Chief Financial Officer shall maintain the official investment accounting book of record for securities portfolios and provide investment-related reports and shall be responsible for all rates of return and related performance data for all individual investment portfolios and at the Total Fund level.

8. The General Counsel shall provide legal advice regarding compliance with legal investment criteria including System policy together with governing statutes, rules and regulations and other legal issues and, together with the Managing Directors, and the assistance of outside counsel as warranted, review and approve investment contracts.

9. The Director of Internal Audit shall provide broad audit coverage of investment areas to provide management with information about the adequacy and effectiveness of internal controls and the quality of performance.

10. The Senior Advisor to the Executive Director and Chief Investment Officer - Stewardship, will provide advice and guidance, with the assistance of consultants as the Senior Advisor deems necessary, on managing the Retirement System's investments consistent with the Responsible Stewardship Policy. In collaboration with General Counsel and the Executive Director and Chief Investment Officer, manage the Retirement System's Corporate Governance program consistent with adopted Policies and Procedures.

11. The Internal Investment Committee is an advisory committee to the Executive Director and Chief Investment Officer. The committee members include: the Executive Director and Chief Investment Officer; Managing Director of Private Equity; Managing Director of Fixed Income; Managing Director of Public Equities; and Managing Director of Real Estate.

The Committee reviews and recommends the following: investment proposals, annual Asset Allocation report, annual Private Equity and Private Debt reviews and the annual Real Estate Debt and Equity Strategic reviews. The Committee receives updates and presentations from, and consults as prudent and applicable with, internal investment staff, external investment managers and external consultants. The Committee reviews monthly, or more frequently as needed, System cash flow projections, planned investment funding and asset allocation status.

12. The Investment Valuation Committee reviews and/or determines the valuation methods to be used to determine the fair value of the System's investments for financial reporting. The Committee is comprised of a representative from the following non-investment departments: Finance, Investment Operations, Risk Management and Legal (non-voting member). Additionally, subject matter experts (internal or external to the System) may advise the Committee depending on the investment being reviewed but will not be voting members.

13. The Quantitative Advisory Committee (QAC) is an advisory committee to the Public Equities Department. The QAC consists of external members appointed by the Managing Director of Public Equities with the approval of the Executive Director and Chief Investment Officer. The QAC provides non-binding guidance to the Managing Director of Public Equities and the Head of Quantitative Research and Analytics on quantitative research, model development, and analytical practices supporting internally managed quantitative strategies.

E. The Investment and Real Estate Advisory Committees are made up of industry professionals with appropriate experience and background and are appointed by the Retirement Board to provide advice to the Retirement Board on investment matters. The role of the Real Estate Advisory Committee is described in more detail in the Real Estate section of this Investment Policy Manual.

F. An External Investment Manager/Advisor is a third-party entity or firm retained to manage a portion of the System's assets under specified guidelines. An external manager may be engaged to invest funds directly or may be engaged to hire other external investment managers operating as a fund-of-funds or manager of managers. Securities investment managers must be registered as Investment Advisors under the Investment Advisors Act of 1940, unless exempted from registration. External investment managers/advisors may have discretion and authority within the parameters established by the Retirement Board and staff for determining and implementing investment strategy.

G. Broker-Dealers are firms that act as intermediaries in the purchase or sale of securities for internally or externally managed portfolios. As brokers, such firms facilitate trades by bringing together buyers and sellers of securities (in an agency capacity). As dealers, they act as the actual buyer or seller on the other side of the trade (in a principal capacity).

H. The Statutory Custodian is head of the Division of the Treasury in the Department of Taxation and Finance and is designated by law as the Custodian of the System's assets except for loans to System members. All disbursements of System funds must be authorized by the Statutory Custodian or such person as they may authorize.

I. The Custodial Bank is responsible for the safekeeping of all public securities and shall be the official accounting book of record for securities portfolios as designated by the System. The Custodial Bank is also responsible for all investment rate of return calculations.

J. Consultants are persons or firms who are retained by the System to provide professional advice. In particular, the System retains investment consultants for the following purposes:

   1. Make recommendations regarding changes in the current asset allocation policy, including recommending asset allocation targets, ranges, benchmarks and additional investment classes

   2. Assist in strategic reviews for various asset classes

   3. Assist in performing investment manager searches and recommend potential firms for further System due diligence.

   4. Provide a qualitative and quantitative review of proposed investment opportunities

   5. Provide a qualitative and quantitative review of the performance of the external managers and make retention recommendations

   6. Provide educational assistance regarding investment matters and fiduciary duties

IV. Controlling Statutes and Regulations

The Banking Law (§235), the Education Law (Article 11, §508), the Retirement and Social Security Law (Article 4-A, §§176 - 179), and such other laws which from time to time may be enacted, authorize or control investments by public retirement systems.

Under such laws, the System may invest in issues of the United States Treasury and instrumentalities of the United States Government; high-grade corporate bonds; mortgage-backed securities; municipal securities of New York State and its political subdivisions or authorities; bonds of the Commonwealth of Canada and its political subdivisions or authorities; preferred shares; common stocks; deposits in savings banks; equity real estate; mortgage loans; foreign equities; and other permitted investments itemized in the laws of New York State. These parameters, among other things, may specify limitations on the percentage of assets which may be invested by the System in various classes of assets.

In recent years, rules and policies were modified to enable writing of covered call options, venture capital investing, securities lending and purchase of securities not registered under the Securities Act of 1933, provided such transactions are consistent with fiduciary responsibilities and requirements of the laws under which the System operates. Furthermore, the policies permit investment in limited partnerships, joint ventures, real estate investment trusts, real estate operating companies, group trusts, common trust funds, collective investment funds, investment companies (as defined under the Investment Company Act of 1940), life insurance separate accounts and other vehicles established primarily for the purpose of investing in capital assets. Additionally, the policies contained in this Manual permit the use of derivatives including those described below under VIII. Use of Derivatives.

Under §177(9) of the Retirement and Social Security Law, and subject to guidelines adopted by the Retirement Board, up to thirty-five percent (35%) of assets may be invested in types of assets not otherwise specifically authorized, provided the Retirement Board is satisfied such investments are in accordance with the "prudent expert" rule. Additionally, Education Law §508(18) permits the Retirement Board to delegate its authority to invest to external investment managers/advisors.

All assets will be valued at fair value to determine compliance with legal limits. Descriptions of the legal limits applied to each asset class are included in the sub-policy for those investments.

Pursuant to §508(3) of the Education Law, no member or employee of the Retirement Board may have any interest, direct or indirect, in the gains or profits of the System's investment portfolio, nor may any such person receive, directly or indirectly, any pay or emolument (except, of course, for his/her normal salary) for any services rendered in connection with any of the System's investments.

Additionally, pursuant to §136-1.6 of the New York Codes, Rules and Regulations, the Retirement Board, as "administrative head" of the System, is a fiduciary. The Retirement Board shall act solely in the interests of the members and beneficiaries of the System and shall perform its responsibilities in a manner consistent with those of a reasonably prudent person exercising care, skill and caution.

The Retirement Board and staff are subject to a Code of Ethics adopted by the System. The System's Code of Ethics policy states "System person in a policy-making or investment-related position" shall mean any member of the System's Retirement Board and any System employee who either participates in the Manager/Executive Plan or participates in the negotiating unit in a Grade 18 or higher title (including trainee titles, for which the target title is Grade 18 or higher) in but not limited to the Procurement Office, Real Estate, Investment Operations, Risk Management or Investment Departments are required to submit an annual disclosure statement.

Designated staff are also subject to the *Personal Monitoring and Trading Procedures* ("Personal Trading Procedures") and *Material Non-Public Information Procedures* ("MNPI Procedures"). The Personal Trading Procedures contain provisions reasonably necessary to detect and prevent covered employees and their related persons from engaging in personal trading in violation of applicable law, including the general anti-fraud rules under federal and state securities laws and fiduciary duties owed to the System.

V. Objectives

All investment transactions undertaken on behalf of the System will be for the sole benefit of the members and their beneficiaries, for the exclusive purpose of providing benefits and defraying reasonable administrative expenses.

The System's long-term objective is to earn an average rate of return greater than the rate of return of representative indices for individual asset classes but no less than the actuarial assumption rate (currently 6.95% per annum). The indices are identified in Section VI - Asset Allocation Policy. Rates of return are net of fees and other expenses. Volatility of returns, or risk, for the System, as measured by standard deviation of investment returns, should be commensurate with the level of returns expected to be achieved over a long period of time.

VI. Asset Allocation Policy

The System's asset allocation and underlying asset class policy benchmarks are reviewed and recommended by the Executive Director and Chief Investment Officer to the Retirement Board for approval annually. Asset allocation is the definition of allowable asset classes and the distribution of assets among those asset classes. As fiduciaries, the Retirement Board has a duty to diversify the investments of the fund to reduce risk, while maximizing the investment return. The System believes that the most significant contributor to a fund's long-term investment performance is asset allocation. Accordingly, asset allocation is one of the most important fiduciary decisions.

The recommended targets and rebalancing ranges listed below have been approved by the Retirement Board. Target allocations may not always be maintained at any specific point in time as actual asset allocation will be dictated by current and anticipated market conditions. Asset classes will not be considered 'Out of Bounds' during established transition periods; e.g., due to changes in asset allocation policy. Progress toward completion of the transition shall be reported to the Board quarterly.

Asset Allocation: Recommended Targets and Rebalancing Ranges

Asset Class	Range	Target
Domestic Equity	29 - 37%	33%
International Equity	11 - 19%	15%
Global Equity	0 – 8%	4%
Domestic Fixed Income	12 - 20%	16%
Real Estate Equity	6 - 16%	11%
Real Estate Debt	2 - 10%	6%
Private Equity	4 - 14%	9%
Private Debt	0.5 - 5%	2%
Global Bonds	0 - 4%	2%
High Yield Bonds	0 - 3%	1%
Short Term Investments (Cash Equivalents)	0 - 4%	1%

		100%

Policy Benchmarks

Policy benchmarks set the standards against which the performance of the System's Asset Classes is measured. Differences in portfolio management strategies, composition of holdings and other factors will result in differences between the benchmarks and the System's actual results. Policy level benchmarks are proposed by the Managing Director of the applicable asset class with guidance from the general investment consultant. Policy Level benchmarks and any subsequent changes are approved by the Investment Committee of the Retirement Board.

Asset Class	**Policy Benchmark**
Domestic Equity	S&P Composite 1500 Index
International Equity	MSCI ACWI Ex-U.S. Index
Global Equity	MSCI ACWI Index
Domestic Fixed	Bloomberg U.S. Aggregate Float Adjusted Bond Index
Global Bonds	Bloomberg Global Aggregate Float Adjusted Ex-CNY Bond Index (hedged to USD)
High Yield Bonds	ICE BofA BB-B US High Yield Constrained Indexn
Real Estate Equity	NCREIF-ODCE Index
Real Estate Debt	Giliberto-Levy Custom Index
Private Equity	S&P 500 Index (Plus 5%)
Private Debt	Morningstar LSTA US Leveraged Loan Index (Plus 3%)
Short Term Investments (Cash Equivalents)	iMoneyNet Money Fund Average™ /All Taxable

~~A. Domestic Equity: The System's benchmark for domestic equity portfolios, taken as a whole, is the S&P Composite 1500 Index. Within the domestic equity asset class, funds may be internally or externally managed. Internally managed funds may be passively managed to the applicable benchmark or may follow enhanced strategies. Passive management is designed to achieve a minimal tracking error in matching performance of the index fund with the appropriate benchmark for that portfolio; enhanced strategies are typically designed to deliver a tracking error of up to 125 basis points, with the expectation of investment returns in excess of the benchmark. External managers are engaged in a variety of investment styles to diversify sources of investment return and to provide returns commensurate with risk taken. The strategic target allocation for the domestic equity portfolio is approximately eighty-five percent (85%) passively managed and fifteen percent (15%) in enhanced and/or active strategies.~~

~~B. International Equity: Within the international equity asset class, seventy-five percent (75%) is targeted to be passively managed and twenty-five percent (25%) actively managed to the MSCI ACWI Ex-U.S. Index. Funds may be~~

~~internally or externally managed. Passive managers passively manage country, currency and security selection to simulate the returns and characteristics of the MSCI ACWI Ex-U.S. Index. Active core managers actively manage country, currency and security selection with the objective of outperforming the MSCI ACWI Ex-U.S. Index (or relevant benchmark e.g. MSCI EAFE, MSCI EM), generally over a market cycle.~~

~~C. Global Equity: Within the global equity asset class, one hundred percent (100%) is actively managed to the MSCI ACWI Index. Active managers actively manage country, currency and security selection with the objective of outperforming the MSCI ACWI (or other appropriate benchmark) generally over a market cycle.~~

A. Domestic Equity, International Equity and Global Equity: Within these asset classes, portfolios may be internally or externally managed, and may be passively or actively managed.

~~D.~~B. Other Asset Classes: All other asset classes are actively managed.

~~E.~~C. Reporting: A quarterly report showing the current asset allocation status within the major asset classes is submitted quarterly to the Retirement Board by the Investment Operations Department.

~~F.~~D. Annual Review: The Retirement Board annually reviews the asset allocation relative to recent and historical investment experience and considers new developments. This includes a review and revision, where appropriate, of the long-term capital market assumptions regarding expected investment returns, standard deviations, and correlations.

~~G.~~E. Fund Liquidity: The Executive Director and Chief Investment Officer, in consultation with the Internal Investment Committee, is responsible for allocating cash to planned program investments and targeted asset allocations while taking into account the operational cash needs of the System.

~~H.~~F. Rebalancing: The Executive Director and Chief Investment Officer, in consultation with the Internal Investment Committee, is responsible for periodic and orderly rebalancing of the portfolios so that asset classes remain within asset allocation rebalancing ranges and for establishing an orderly rebalancing plan should one or more asset classes fall outside the established range.

VII. Asset Valuation

Assets are valued at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A. Publicly traded assets shall be valued based upon a quoted market price from an independent source. The custodial bank will provide current market prices for assets held in custody as documented in the custodial contract and in custody policies and procedures.

B. Real Estate Equity Investments shall be valued in accordance with Section VI of the Equity Real Estate Investments Policy.

C. Timberland Investments shall be valued in accordance with Exhibit 1 of the Timberland Investments Policy.

D. Mortgages shall be valued by a third-party valuation service. The market price will recognize a spread over the like-term treasury and other collateral or credit factors as appropriate.

E. Private Equity and Private Debt Investments are valued using methodologies consistent with FASB ASC 820. Non-US investments which are not subject to US Generally Accepted Accounting Principles follow similar fair valuation standards acceptable in their jurisdiction.

VIII. Use of Derivatives and Other Instruments

At the total portfolio level, derivatives may only be used to implement asset allocation changes in a cost-effective manner, prudently implement investment strategies in a risk-controlled manner, or reduce transaction costs or taxes. Derivatives may not be used at the total portfolio level to create explicit leverage (borrowing).

A. Internally Managed Portfolios: The use of derivatives is currently limited to the following:

(1) Public Equities: The Covered Call Option Program and Futures-Based Rebalancing. These programs may be used in the System's internally managed domestic equity portfolios. The purpose of the Covered Call Option Program is to modestly supplement System income by writing calls when appropriate. The purpose of the Futures-Based Rebalancing program is to minimize asset allocation risk and reduce transaction costs relative to cash market trading. See the Domestic Equity Securities sub-policy Appendix A for Covered Call Option Guidelines and Appendix B for Futures-Based Rebalancing Guidelines.

And

(2) Internally Managed Fixed Income Portfolios:
   (a) use interest rate futures to manage portfolio duration
   (b) trade forward-settling securities in the To-Be-Announced (TBA) market
   (c) use currency forwards for the purposes of trade settlement or managing currency risk

B. Externally Managed Portfolios: Some of the System's external managers currently have authorization for a broader use of derivatives.

Contracts with separate account managers will identify the types of derivatives that may be used, consistent with this sub-policy and prudent discretion. Managers must notify the System of modifications in the types of derivatives used and obtain System approval of such modifications.

Investments in commingled funds are open to other investors; therefore, it is not possible for the System to insist that the managers of such funds abide by System policy regarding the use of derivatives. Where applicable, Managing Directors of public security asset classes will review a manager's use of derivatives within their respective asset class on an ongoing basis to determine whether continued investment in a fund is prudent.

C. Exchange-Traded Funds (ETFs), Index Futures, and Total Return Swaps (TRS)

The use of broad-market exchange-traded funds (ETFs), listed equity index futures, and equity index total-return swaps (TRS) is permitted for NYSTRS' public equity portfolios (internal and external) for cash equitization and risk/portfolio management purposes, subject to such further guidelines as may be established by the Managing Director of Public Equities with the approval of the Executive Director and Chief Investment Officer.

IX. Ownership Limitation and Fiduciary Obligations

NYSTRS may invest in commingled funds, separately managed accounts (SMAs), funds-of-one and other structures. In making such investments, NYSTRS is subject to fiduciary obligations set forth in NYCRR 136-1.6(a) and (h). Although NYSTRS is not subject to Title I of ERISA, NYSTRS generally looks to ERISA for relevant legal guidance on the application of fiduciary obligations in investment matters.

Commingled Funds:

1. NYSTRS' ownership in commingled funds shall generally be less than 25%.

2. NYSTRS' ownership in commingled funds may be equal to or greater than 25% if, as determined by NYSTRS' legal counsel, either (A) appropriate fiduciary standards are reflected in the fund documents; or (B) the fund is structured as a VCOC or REOC.

SMAs and Funds-of-One:

1. NYSTRS may be the sole beneficial owner of an SMA or the sole LP in a fund-of-one if, as determined by NYSTRS' legal counsel, (A) appropriate fiduciary standards are reflected in the investment documents; or (B) in the case of funds-of-one, the fund is structured as a VCOC or REOC.

For other investment structures, Investment staff shall consult with the System's legal counsel on any ownership limitation and appropriate fiduciary standards.

X. Guidelines for Custodians

Timely and accurate completion of custodial functions is necessary for effective investment management and accurate record keeping. The following are responsibilities of the custodian(s) for the segments of the System's assets for which each custodian is responsible:

A. Provide complete custody, depository and accounting service for the designated accounts

B. Implement in a timely and effective manner the investment actions as directed by the staff and external investment manager(s)/advisors

C. Collect all income and principal and properly report on the periodic statements

D. Provide periodic statements of holdings including all transactions and daily activity reports for the System

E. Provide daily reporting on cash activity and balances

F. Provide staff assistance in the completion of activities such as the annual audit and transaction verification

G. Indemnify the System for non-market losses of stocks and securities held on behalf of the System

H. Provide investment performance for designated portfolios and Total Fund return

XI. Other

A. Performance Reporting

The performance of the System's internally and externally managed portfolios relative to the appropriate benchmarks and the objectives of the overall System portfolio will be provided to the Retirement Board on a quarterly basis. See Investment Rate of Return Policy for information on calculation methodology.

B. Review and Modification of Policy

The Executive Director and Chief Investment Officer shall administer this Manual pursuant to the investment policies of the Retirement Board and shall review the Manual periodically to determine if modifications are necessary or desirable. Modifications shall be promptly communicated to all external investment managers/advisors and other responsible parties, as appropriate.

XII. Glossary of Common Investment Types

Investment in any instrument or security remains subject to applicable law and circumstances then prevailing. The most common investments are cited below:

A. American Depositary Receipts (ADRs) are receipts for the shares of a foreign-based corporation held in the vault of a U.S. bank and entitling the shareholder to all dividends and capital gains. These are traded on various U.S.-based exchanges and are available for hundreds of stocks from numerous countries.

B. Commercial Mortgage Backed Securities (CMBS) are backed by a pool of commercial mortgages on income-producing property or large single mortgage.

C. Commercial Mortgage Lending investments are notes and bonds secured by a mortgage or deed of trust providing a first lien on real estate.

D. Derivatives are financial instruments such as forwards, futures, options, swaps or other instruments whose values are "derived" from another financial instrument.

E. Domestic Equity Securities for System purposes typically consist of corporate common stock. Generally, these stocks must be (i) registered on a national securities exchange, or (ii) otherwise registered under the Securities Exchange Act of 1934 with price quotations furnished through a nationwide automated quotations system (see RSSL s. 177(2)(d) for legal requirements). Domestic Equity Securities also include stock in corporate real estate investment trusts (REITs), which are traded on a national exchange and acquired as part of an internally managed index fund or by one of the System's domestic equity managers.

F. Domestic Fixed Income Securities are U.S. Treasury or Government agency obligations; asset backed securities (i.e., equipment trust certificates); corporate bonds including financial, industrial, and/or utility bonds; U.S. dollar denominated Euro or Yankee bonds, including Canadian obligations payable in U.S. dollars; residential and commercial mortgage-backed securities; and pass-through certificates. For System purposes, domestic fixed income securities primarily consist of instruments with maturities in excess of twelve (12) months at time of purchase.

G. Emerging Market Equities are common or preferred corporate stocks and investment shares which are registered on recognized exchanges outside the U.S. Emerging market countries are the developing international countries that have a relatively low per capita Gross National Product. There is a wide variety of economic, regulatory and market development among the emerging countries.

H. Equity Real Estate Investments are any investments in real property, either made directly or through the use of pooled vehicles such as limited partnerships, open or closed-end commingled funds, publicly traded real estate securities and private Real Estate Operating Companies (REOCs).

I. Global Bonds include domestic fixed income securities (see F. above) as well as treasury, government related, corporate and securitized bonds denominated in currencies other than the U.S. dollar that are issued and traded outside the United States.

J. Global Equities are a combination of domestic and international equities. (see E. and K. in this section for descriptions of domestic and international equities).

K. International Equity Securities are common or preferred corporate stocks and investment trust shares registered on recognized exchanges outside the U.S.

L. Private Equity investments are a variety of direct and indirect equity investments made through commingled funds, Separately Managed Accounts (SMAs) or funds of one, such as limited partnerships that fall outside the core portfolios of stocks, bonds, mortgages, and real estate.

M. Private Debt investments are a variety of direct or indirect debt investments made through commingled funds, Separately Managed Accounts (SMAs) or funds of one such as limited partnerships that fall outside the core portfolios of stocks, bonds, mortgages, and real estate.

N. Real Estate Mezzanine Investments are investments either made directly or through commingled funds or partnerships in subordinate loans secured by real estate or borrower interests in real estate.

O. Repurchase Agreements are agreements between a seller and a buyer, whereby the seller agrees to repurchase the securities at an agreed upon price and, usually, at a stated time.

P. Securities Lending is the act of loaning a security to a borrower for cash or non-cash collateral pursuant to an agreement to return the collateral for an identical security in the future.

Q. Short-Term Investments (Cash Equivalents) include, but are not limited to, interest bearing or discount instruments such as money market funds; U.S. Treasury Bills; U.S. Government Agency Discount Notes; corporate-issued commercial paper; bank-issued Certificates of Deposit; bankers' acceptances; and fully collateralized repurchase agreements. For System purposes, short-term investments consist primarily of instruments maturing in twelve (12) months or less at time of purchase.

R. Emerging Market Bonds are bonds issued by sovereigns, quasi-sovereigns, and corporations in developing countries.

S. High Yield Bonds are bonds that are rated non-investment grade (below Baa3/BBB-) by the credit rating agencies and can also be referred to as speculative-grade bonds or junk bonds.

T. Leveraged Loans are commercial loans extended to a non-investment grade (high yield) corporation by a group of lenders and sold (or syndicated) to other banks or institutional investors.

XIII. Glossary of Indices Used by the Retirement System

Domestic Equity

The S&P Composite 1500 Index measures the total return of 1,500 actively traded U.S. companies. The index is a combination of the S&P 500, S&P Midcap 400 and the S&P Smallcap 600 indices. The index is capitalization weighted and its members are U.S. companies.

The S&P 100 Index is a subset of the S&P 500 Index and measures the performance of large cap companies in the U.S. The index is comprised of 100 major blue chip companies across multiple industry groups and is capitalization-weighted.

The S&P 500 Index measures the total return of 500 large capitalization companies. The index tracks technology, communications, industrial, transportation, financial, real estate, consumer related, energy and utility stocks and is capitalization-weighted.

The S&P SmallCap 600 Index measures the total return of 600 actively traded U.S. companies in the small cap segment of the U.S. equity market. The index covers approximately 3% of the U.S. equity market and is capitalization-weighted.

The S&P MidCap 400 Index measures the total return of 400 mid-sized U.S. companies. The index covers approximately 7% of the U.S. equity market and is capitalization-weighted.

International Equity

The MSCI ACWI ex-US (All Country World Index ex US) Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets excluding the United States. The MSCI ACWI ex-US consists of over 45 country indices comprising developed and emerging markets. The Index captures approximately 85% of the opportunity set outside the US and holds over 2,000 securities. The term "free float" refers to the number of shares of stock publicly owned and available for trading.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The MSCI Emerging Markets Index covers over 1,000 securities in more than 20 emerging market countries.

The MSCI EAFE Index is an equity index with large and midcap representation across more than 20 developed market countries around the world, excluding the US and Canada. The MSCI EAFE Index contains around 900 constituents and covers approximately 85% of the free float-adjusted market capitalization in each member country.

. The MSCI Canada Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of Canada. The index contains approximately 100 large and mid-capitalization securities representing approximately 85% of the total market.

The MSCI India IMI Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of India. The index contains over 400 stocks of large, mid and small cap Indian stocks representing approximately 99% of the total market.

Global Equities

The MSCI ACWI (All Country World Index) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of both developed and emerging markets including the United States. The MSCI ACWI consists of more than 45 country indices comprising developed and emerging markets. The Index captures approximately 85% of the opportunity set globally and holds over 2,700 securities. The term "free float" refers to the number of shares of stock publicly owned and available for trading.

Short Term Cash Equivalents

The iMoneyNet Money Fund Average TM/All Taxable measures the total return of all major taxable money market funds and includes government, institutional and special purpose funds.

Domestic Fixed Income

The Bloomberg U.S. Aggregate Float Adjusted Bond Index measures the total return of publicly issued and investment grade, taxable, nonconvertible, U.S. dollar-denominated debt of the U.S. Government or any agency thereof, corporate securities, agency mortgage pass-through securities, Yankees, commercial mortgage-backed securities and asset-backed securities. To be eligible for inclusion, securities must possess certain traits including but not limited to: be fully taxable; fixed rate; investment grade and have at least 1 year until final maturity. Index returns are reported at full market value weight. The U.S. Aggregate Bond Index was created in 1986 with history built back to January 1976. With an inception date of July 1, 2009, the U.S. Aggregate Float-Adjusted has the same number of issuers as the U.S. Aggregate Bond Index, however, it is a subset as it excludes published net holdings of U.S. Treasuries, U.S. Agencies, and fixed rate MBS pass-throughs held in Federal Reserve System Open Market Account (SOMA) accounts.

High Yield Bonds

The ICE BofA U.S. High Yield Constrained Index was incepted in December 1996 and contains all securities in the ICE BofA U.S. High Yield Index (incepted August 1986), but caps individual issuer exposure at 2%. To be included in the index, securities must have a below investment grade rating, have at least 18 months to final maturity at the time of issuance, have at least one year remaining term to final maturity, possess a fixed coupon and individual issues should have a minimum size of $250 million. Permitted security types include original issue zero coupon bonds, 144a securities, pay in kind (PIK) securities and callable perpetual securities that are at least one year from the first call date.

The ICE BofA BB-B U.S. High Yield Constrained Index contains all securities in the ICE BofA U.S. High Yield Index that are rated Ba1 through B3 with issuer exposure capped at 2%. The index has the same final maturity, remaining maturity, coupon, minimum size, and security type restrictions as the ICE BofA U.S. High Yield Constrained Index described above.

The Bloomberg U.S. High Yield 1% Issuer Capped Index is an issuer constrained version of the U.S. Corporate High Yield Index that covers non-investment grade, fixed rate, taxable corporate bond market. It limits issuer exposures to a maximum 1% and redistributes the excess market value index wide on a pro rata basis. Securities must be rated below investment grade (Ba 1 /BB+/ or below) using the middle rating of Moody's, S&P, and Fitch, and have at least one year until final maturity.

Global Bonds

The Bloomberg Global Aggregate Float Adjusted Bond Index Ex-CNY (hedged to USD) provides a broad-based measure of the global investment grade fixed rate debt from developed and emerging local currency markets and consists of four main components: the U.S. Aggregate; the Pan-European Aggregate, the Asian-Pacific Aggregate Index and the Canadian Aggregate Indices. The index is comprised of securities from developed and emerging market issuers in the following primary sectors: Global Treasury, Government Related, Corporate, and Securitized. To be eligible for inclusion, securities must possess certain traits including but not limited to: be fully taxable; fixed rate; investment grade; and have at least 1 year until final maturity. The Global Aggregate Bond Index was created in 1999 with an index history that was backfilled to 1990. With an inception date of July 1, 2009, the Global Aggregate Float Adjusted Index has the same number of issuers as the Global Aggregate Bond Index, however, it is a subset as it excludes published net holdings of securities purchased and held by central banks. This index excludes Chinese local currency (CNY) denominated bonds.

The Bloomberg Global Aggregate Corporate Bond Index (hedged to USD) is a component of the Bloomberg Global Aggregate Bond Index that includes only corporate bonds. The inclusion rules are the same as noted above for the Bloomberg Global Aggregate Float Adjusted Bond Index Ex CNY (hedged to USD) benchmark and also excludes CNY-denominated corporate bonds.

The Bloomberg Emerging Markets USD Aggregate Investment Grade 10% Country Capped Bond Index includes U.S. dollar denominated bonds issued by emerging market issuers. The index is comprised of securities from sovereign, quasi-sovereign, and corporate issuers. To be eligible for inclusion, securities must possess certain traits including, but not limited to, being fully taxable, investment grade rated, and having at least 1 year until final maturity.

Real Estate Private Equity

The National Council of Real Estate Investment Fiduciaries Open-End Diversified Core Equity Fund Index (NFI-ODCE) is a capitalization-weighted, gross and net of fee, time-weighted return index with an inception date of December 31, 1977. Open-end Funds are generally defined as infinite-life vehicles consisting of multiple investors who have the ability to enter or exit the fund on a periodic basis, thereby providing a degree of potential investment liquidity. The term "Diversified Core Equity" is a style that typically reflects lower risk investment strategies utilizing low leverage and generally represented by equity ownership positions in stable U.S. operating properties. The index includes property investments at ownership share, cash balances, and leverage.

Real Estate Public Equity

The Wilshire U.S. REIT Index measures the total return of a portfolio of publicly traded U.S. Real Estate Investment Trusts (REITs). The index is weighted by the float-adjusted market capitalization.

The FTSE EPRA/NAREIT Developed Global Index (unhedged in USD) measures the performance of listed real estate companies and real estate investment trusts (REITS) worldwide. The index is a market capitalization-weighted index, based on the last trade prices of shares of all eligible companies.

The FTSE NAREIT U.S. Real Estate Index measures the industry-wide performance of U.S. real estate investment trusts (REITs) and listed real estate companies. The index is weighted by equity market capitalization. All tax-qualified REITs with common shares traded on the NYSE, AMEX, or NASDAQ will be eligible, subject to minimum size, liquidity, and free-float adjustment criteria.

The FTSE NAREIT Preferred Stock Index measures the performance of all publicly tradable, non-convertible, perpetual preferred stocks that meet a minimum size requirement of $550 million in face value, issued by companies that are members of the FTSE NAREIT All REITs Index. The index is calculated on a market capitalization weighted basis with capping to avoid single-issuer concentration.

ICE BofA US REIT Debt Index is a subset of the ICE BofA US Corporate Index including all securities of REIT issuers. ICE BofA Corporate Master Index (Credit quality: A-) tracks the performance of U.S. dollar-denominated investment-grade corporate debt publicly issued in the U.S. domestic market.

Real Estate Private Debt

The Giliberto-Levy Custom Index measures the investment performance of fixed-rate, fixed-term senior loans that are made by and held in the investment portfolios of institutional lenders such as life insurance companies and pension funds. First produced in 1993, the index has been in continuous publication for more than 30 years and provides historical standard time-weighted returns. Underlying collateral comprises domestic commercial real estate spanning the four major property types as well as other property sectors such as lodging and mixed use. The Index can also be viewed in three tranches based on the loan to value of the marked to market debt. The custom index is customized specifically for NYSTRS. It includes the Investment Grade Tranche only, excludes "other" property type category and has a minimum loan size of $40 million for Office and $25 million for Retail, Industrial and Multi-Family.

The Giliberto-Levy Crossover Index is a subset of the first mortgage positions in the Giliberto-Levy Custom Index whose LTV is between 70.1% and 85.0%

Real Estate Public Debt

The Bloomberg Non-Agency Investment Grade CMBS Index measures the market of conduit and fusion CMBS deals with a minimum deal size of $500 million at issuance with at least $300 million currently outstanding. The index was launched in 1997 and includes SEC registered securities with a rating of (Baa3/BBB-/BBB/) or higher with a fixed rate coupon and remaining average life of at least one year. As of July 1, 2014, the US Investment Grade CMBS Index began to include Agency CMBS transactions. The Private Label sub-index excludes these agency multi-family CMBS transactions.

The Bloomberg US CMBS 2.0 Index measures the market of investment-grade CMBS and fusion deals issued since the beginning of 2010. While many of the CMBS 2.0 deals are already eligible for the broader US Investment Grade CMBS Index, this new index captures additional securities with a broader set of eligibility criteria including lower minimum deal size of $250 million.

The Bloomberg US CMBS Non-Agency Investment Grade BBB Index measures the BBB-rated market of US Non-Agency conduit and fusion CMBS deals with a minimum current deal size of $300 million.

Private Equity

The S&P 500 Index returns plus 5% is the benchmark for the System's private equity investments. The S&P 500 measures the total return of 500 large capitalization companies. The index tracks technology, communications, industrial, transportation, financial, real estate, consumer related, energy and utility stocks and is capitalization weighted.

Private Debt

The Morningstar/LSTA Leveraged Loan Total Return Index returns plus 3% is the benchmark for the System's private debt investments. The Morningstar/LSTA Leverage Loan Total Return Index is a market capitalization weighted index that tracks the institutional loan market. Prices are determined through dealer bid/ask quotes. Constituents are senior secured institutional loans with a minimum initial spread of 125 basis points and a term of at least 1 year. Constituents are removed from the index when no bid has been posted for 12 consecutive weeks or the loan is repaid.

XIV. Glossary of Acronyms and Other Terms

A. Acronyms:

BL: Banking Law

EL: Education Law

ERISA: Employee Retirement Income Security Act of 1974

NASD: National Association of Securities Dealers

NYCRR: New York Codes, Rules, and Regulations

PIK: payment in kind security pays interest or dividends in the form of additional securities in lieu of cash

REAC: Real Estate Advisory Committee

RFP: Request for Proposal

RSSL: Retirement and Social Security Law

SEC: Securities and Exchange Commission

STIF: Short-Term Investment Fund

USD: US Dollar

144a: SEC rule issued in 1990 that permits institutional investors to trade privately placed or "144a" securities

B. Brokerage Terms:

1. Directed Brokerage: refers to an arrangement where a certain dollar amount or percentage of trades is directed to designated broker-dealers. Negotiated brokerage, external commission recapture, and soft dollar arrangements are all forms of directed brokerage.

   a. Negotiated Brokerage: refers to trades that are charged a negotiated commission rate resulting in lower up-front trading costs.

   b. External Commission Recapture: an arrangement between the System, broker(s), and external manager(s), whereby, the manager(s) agree to direct a portion of commissions paid to broker(s) designated by the System, who agree to refund a portion of the commissions they receive from trading directly to the System. Receipt of these refunds can improve overall System returns through reduced costs.

   c. Soft Dollar Arrangements: brokers establish an account for the Plan sponsor or its managers and pay certain Plan expenses or buy research services for the Plan or its manager directly from the commission activity in this account. This allows the Plan or its manager access to services and lowers direct cash expense since the Plan or its manager does not actually pay the service providers directly.

2. Recapture Rate: percentage of each commission dollar in a recapture program which is returned to the System. For a 1.5:1 recapture rate, the

percentage of commission returned to the System would be sixty-seven percent (67%).

C. Covered Call Option Terms:

1. Covered Call Option: A contract allowing, but not requiring, the option holder to buy from the System a given number of shares of stock at a given price on or before a specific date. Once an option is written by the System, the underlying securities will be placed in an escrow account to "cover" the transaction. As evident by this definition, a particular call option will be characterized by two features:

    a. Underlying Security: The stock which the option holder may buy.

    b. Contract: Each contract allows the option holder to buy one hundred (100) shares of the underlying security.

2. Exercise Price: The price at which the stock can be purchased by the option holder at any time up to the option's expiration date (sometimes referred to as strike price).

3. Expiration Date: The last day an option can be exercised. Contracts are usually traded in three, six, or nine-month contracts and expire on the first Saturday after the third Friday of its expiration month.

4. Intrinsic Value: The amount by which the stock price exceeds the strike price.

5. Premium: Value of the option or the market price that a buyer of an option pays the writer for rights conveyed by the option. The writer is entitled to retain this amount whether or not the buyer exercises the option. The premium is composed of two values, the intrinsic value and the time value.
6. Time Value: The excess of the option premium over the intrinsic value.

D. Futures Terms:

1. Exchange Traded Index Futures: Standardized contracts traded on an organized exchange that is based on an Index (i.e. S&P 500, Russell 2000, etc.). Counterparty risk is substantially reduced and transparency is increased due to the use of a central clearinghouse.

2. FCM Broker: Futures Commission Merchants (FCMs) are those authorized firms that clear Commodity Futures and Option trades.

3. Initial Margin: The amount a trader must deposit before trading any futures.

4. Maintenance Margin: The minimum amount of equity that must be maintained in a margin account.

5. Margin Account: An account maintained with the FCM Broker to cover the daily mark-to-market transaction.

6. Margin Call: A broker's demand on an investor using margin to deposit additional money or securities so that the margin account is brought up to the minimum maintenance margin.

7. Notional Value: The total face value of the futures or options contract. This term is commonly used in the options, futures, and currency markets because a very small amount of invested money can control a large position (and have a large consequence for the trader). For example, one S&P 500 Index futures contract obligates the buyer to buy 250 units of the S&P 500 Index. If the index is trading at $1,000, then the single futures contract is similar to investing $250,000 (250 x $1,000). Therefore, $250,000 is the notional value underlying the futures contract.

8. Interest rate futures are derivatives instruments for the purchase and sale of underlying bonds on a specified date at a predetermined price. U.S. Treasury futures are standardized contracts for the purchase and sale of U.S. government notes or bonds for future delivery. Treasury futures can be used as an efficient tool for hedging interest rate risk and managing portfolio duration.

E. Risk Types:

1. Counterparty Credit Risk: The risk of default of any party owing cash or securities to the System as the result of a transaction. These parties may include, but are not limited to, the counterparty and the issuer. Counterparty credit risk is negligible to the System for transactions cleared on a delivery versus payment (DVP) basis.

2. Liquidity Risk: There are two types of liquidity risk: market liquidity risk and funding liquidity risk. Market liquidity risk is the risk of being unable to purchase or liquidate a security quickly enough (or in requisite quantities) at a fair price. Market liquidity risk differs from market risk. Market liquidity risk only reflects realized price changes, while market risk reflects both realized and unrealized price changes. Funding liquidity risk relates to the relative ease of the organization to meet its cash flow needs as they come due.

3. Market Risk: The risk of unexpected change in market price (amount or direction). Price changes in securities can result from movements in equity markets, interest rates, credit spreads and currency exchange rates. Market risk incorporates both realized and unrealized price changes.

4. Operational Risk: The risk of inadequate controls against fraud, incorrect market valuation, failure to record or settle a deal, settlement with the wrong counterparty, failure to collect amounts due, failure of the computer system, or enforceability of contracts. The implications of operational risk include both financial loss and loss of reputation.

5. Geo-Political Risk: The risk of the occurrence of an unanticipated international and/or domestic incident such as war, assassination, terrorism, pandemic or energy shock that adversely affects global and capital markets resulting in the re-pricing of securities.

6. Political Risk: The risk of nationalization or other unfavorable government action.

7. Idiosyncratic Risk: Firm specific risk or the risk of the change in a price of a security due to the unique circumstances of that security.

8. Basis Risk The risk resulting from pricing differences between the derivatives instrument and the underlying security. For example, the risk that cash vs. futures spread will widen or narrow between the times a hedge position is established and closed.

9. Credit Risk: The financial risk that an obligation will not be paid resulting in a loss.

10. Asset Allocation Risk: The risk associated with being outside the asset class bounds or diverging from the target allocation.

RESOLUTION ON INVESTMENT POLICY MANUAL UPDATE

Statement of Investment Policy

RESOLVED, That the following amendments to the Investment Policy Manual, Statement of Investment Policy, as presented to and reviewed by the Retirement Board, are approved and accepted:

- Section VI. Asset Allocation Policy - Simplifies the Public Equities provisions for consistency with other asset classes, and removes the Public Equities active/passive constraints; and
- Section VIII. Use of Derivatives & Other Instruments-- Adds a new provision to permit use of ETFs, index futures and TRS for Public Equities portfolios for cash equitization and risk/portfolio management purposes; and be it further

RESOLVED, That the Executive Director and Chief Investment Officer is authorized to take such other actions as may be necessary or required to implement the foregoing resolution.

ASSET ALLOCATION RESOLUTION

WHEREAS, the New York State Teachers' Retirement System (the "**System**") maintains a strategic target asset allocation (the "**Target Allocation**") designed to ensure prudent diversification, appropriate levels of expected return and risk, and long-term funding stability for the System; and

WHEREAS, the Retirement Board has reviewed the asset class structure and the long-term objectives of the System and has determined that a gradual de-risking of the System portfolio is prudent and in the best interest of System members and beneficiaries; and

WHEREAS, the Retirement Board has reviewed the following glide path (the "**Glide Path**"), which provides a five-year de-risking path:

Asset Class	Current Target	Current Range	Glide Path (Changes to Target)					Ending Target	Ending Range
			Year 1	Year 2	Year 3	Year 4	Year 5		
Domestic Equity	33%	29-37%	-0.5%	-0.5%	-0.5%	-0.5%		31%	27-35%
International Equity	15%	11-19%	-0.5%	-0.5%	-0.5%	-0.5%	-1%	12%	8-16%
Global Equity	4%	0-8%						4%	0-8%
Real Estate Equity	11%	6-16%						11%	6-16%
Private Equity	9%	4-14%						9%	4-14%
Total Equity:	**72%**							**67%**	
Domestic Fixed Income	16%	12-20%		+1%	+1%	+1%	+1%	20%	16-24%
Real Estate Debt	6%	2-10%						6%	2-10%
Private Debt	2%	0.5-5%						2%	0.5-5%
Global Bonds	2%	0-4%						2%	0-4%
High Yield Bonds	1%	0-3%						1%	0-3%
Cash Equivalents	1%	0-4%	+1%					2%	0-5%
Total Debt:	**28%**							**33%**	

(Ranges will adjust concurrently alongside changes to the Targets.)

NOW, THEREFORE, BE IT RESOLVED, that the Retirement Board hereby approves and adopts the Glide Path, and authorizes the adjustment of the Target Allocation in accordance with the schedule and asset-class weightings set forth in the Glide Path; and

BE IT FURTHER RESOLVED, that the Executive Director and Chief Investment Officer is authorized and directed to implement the changes to the Target Allocation in phased increments consistent with the Glide Path, and to take all actions necessary or appropriate to effectuate such implementation.

[redacted]

[redacted]

[redacted]

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: Quarterly Report of Executive Director and Chief Investment Officer Investment Discretion Exercised April - June 2026

Fixed Income

Period	Action Taken	Amount
Q/E 06/30/26	Net cash and securities reallocated **into** internally managed Long-Term Bonds	$3,252.6 M
Q/E 06/30/26	Net cash and securities reallocated **into** internally managed Emerging Market Debt	$0.5 M
Q/E 06/30/26	Net cash and securities reallocated **into** externally managed Global Bonds	$200.0 M
Q/E 06/30/26	Net Cash and securities reallocated **into** externally managed High Yield	$150.0 M

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: Quarterly Report of Executive Director and Chief Investment Officer Investment Discretion Exercised April - June 2026

Public Equities

Period	Action Taken	Amount
Q/E 6/30/2026	Cash reallocated **out of** internally managed Domestic equity portfolio	$2.5 Bn
Q/E 6/30/2026	Cash reallocated **out of** externally managed International equity portfolio	$2.08 Bn
Q/E 6/30/2026	Cash reallocated **out of** externally managed Global equity portfolio	$0.414 Bn

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: Quarterly Report of Executive Director and Chief Investment Officer Investment Discretion Exercised April - June 2026

Real Estate - New Commitments

Date of Internal Inv. Comm. Approval	Investment Name	Amount	New or Existing Relationship
	- NONE -		

Real Estate - Dispositions

Date of Internal Inv. Comm. Approval	Investment Name	Amount	Date Transaction Closed
	- None -		

Real Estate

Period	Action Taken	Amount
	- None -	

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: Quarterly Report of Executive Director and Chief Investment Officer Investment Discretion Exercised April - June 2026

Private Equity/Debt – New Commitments

Date of Internal Inv. Comm. Approval	Investment Name	Amount	New or Existing Relationship
04-07-2026	JFL Credit Opp Fund II	$50M	Existing
05-28-2026	Phoenix Equity Partners Insight Fund III	£100 million (approximately $134.0 million)	Existing
06-03-2026	Valor Equity Partners VII	$100M	Existing
06-23-2026	Turning Rock Partners Fund IV	$150M	Existing

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: Quarterly Board Report of Mail Votes[i] for the period April - June 2026

Date	Type (Full Board Vote or Investment Committee Vote	Transaction
	NONE	

[i] "…The Board may act by a unanimous vote of its members taken by mail and/or e-mail and other electronic means approved by the System, or by telephone confirmed by mail and/or other electronic means approved by the System, on occasional matters determined by the President to be non-controversial in nature so as not to require a special meeting of the Board but having circumstances which make it impractical to delay action until the next annual or stated meeting of the Board…" from NYSTRS' Bylaws

New York State Teachers' Retirement System

Memorandum

TO: Retirement Board

FROM: T. Lee

SUBJECT: REAC Quarterly Transactions Board Report of for the period April – June 2026

Transaction	Approved by REAC	ED/CIO Discretion Exercised
	-None-	

New York State Teachers' Retirement System

Agenda

Disability Review Committee Meeting July 29, 2026

COMMITTEE MEMBERS
Eric Iberger, Chair
David Keefe, Scott Levy, Donald A. Little III, Jennifer Longtin, Natalie McKay, Nicholas Smirensky, Mark Stratton

AGENDA p. 334
Call to Order by Chair

A. Approval of Minutes from April 29, 2026 Disability Committee meetings p. 335

B. Committee recommendations to the Board at the July 29, 2026 Board meeting:

- A Disability Denial Resolution and a Disability Recission Resolution will be brought before the Board

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM
10 CORPORATE WOODS DRIVE, ALBANY NY

Disability Review Committee Meeting

A meeting of the Disability Review Committee of the Retirement Board was held at the System on April 29, 2026. The meeting was called to order at 3:07 p.m. by Eric Iberger, Chair.

<u>The following individuals were in attendance:</u>

<u>Committee Members:</u> Eric Iberger, David Keefe, Scott Levy, Donald A. Little III, Jennifer Longtin, Natalie McKay, Nicholas Smirensky, Mark Stratton

<u>Visitor:</u> Anin-Kofi Addo, Independent Investment Analyst

Upon motion of D. Little, seconded by E. Iberger and unanimously carried, the meeting minutes of January 28, 2026 were approved.

E. Iberger, Chair, reported that the System's Medical Board had met monthly over the prior three months and that a disability denial resolution would be brought before the Board at its meeting on April 30, 2026.

There being no further business, the Committee unanimously adjourned at 3:07 p.m.

Respectfully submitted,

[redacted]

Thomas K. Lee

New York State Teachers' Retirement System

Agenda

Ethics Committee Meeting July 29, 2026

COMMITTEE MEMBERS
Ruth Mahoney, Chair
Donald A. Little III, Nicholas Smirensky, Thomas Lee, Don Ampansiri

AGENDA p. 336

Call to Order by Chair

A. Approval of minutes from April 29, 2026 Ethics Committee meetings p. 337

B. Update on EDCIO Quarterly Disclosures (Motion to go into **Executive Session,** if needed, pursuant to Open Meetings Law §105 (1)(f) as it relates to the discussion of the financial history of an individual**)**

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM
10 Corporate Woods Drive, Albany NY

Ethics Committee Meeting

A meeting of the Ethics Committee of the Retirement Board was held at the System on April 29, 2026. The meeting was called to order by Donald A. Little III, acting Chair, at 3:08 p.m.

The following individuals were in attendance:

Committee Members: Donald A. Little III, Nicholas Smirensky, Thomas Lee, Don Ampansiri

Board Members: David Keefe, Eric Iberger, Scott Levy, Jennifer Longtin, Natalie McKay, Mark Stratton

NYSTRS Staff: Matt Albano

Visitor: Anin-Kofi Addo, Independent Investment Analyst

Upon motion of N. Smirensky, seconded by D. Ampansiri and unanimously carried, the minutes of the January 28, 2026 meeting were approved.

D. Little reported that the Annual Disclosure Statements and EDCIO quarterly disclosures had been reviewed with no issues or concerns being found.

There being no further business, and with unanimous consent, the meeting adjourned at 3:08 p.m.

Respectfully submitted,

[redacted]

Thomas K. Lee

New York State Teachers' Retirement System

Agenda

Executive Committee Meeting July 29, 2026

COMMITTEE MEMBERS
David Keefe, Chair
Phyllis Harrington, Eric Iberger, Nicholas Smirensky

AGENDA p. 338

Call to Order by Chair

A. Approval of minutes from April 29, 2026 pp. 339-340

B. Legislative Update – First Look at Proposed 2027 Legislative Program pp. 341-353

C. Changes to Rules and Regulations Sections 5006 and 5025 pp. 354-375
   1. Resolution Amending System Rules and Regulations Parts 5006 p. 376
   2. Resolution Amending System Rules and Regulations Parts 5025 p. 377

D. Signatory Materials
   1. Annual Signatory Board Report p. 379
   2. Legal and Financial Document Signatories List pp. 380-381
   3. Resolution Identifying Financial and Legal Document Signatories p. 382
   4. Disbursement Warrant Signatories List pp. 383-384
   5. Resolution Identifying Warrant Signatories p. 385

E. System Financials pp. 386-390

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM
10 CORPORATE WOODS DRIVE, ALBANY NY

Executive Committee Meeting

A meeting of the Executive Committee of the Retirement Board of the New York State Teachers' Retirement System was held at the System on April 29, 2026.

The following individuals were in attendance:

Committee Members: Eric Iberger, David Keefe, Nicholas Smirensky

Board Members: Scott Levy, Jennifer Longtin, Donald A. Little III, Natalie McKay, Mark Stratton

NYSTRS Staff: Thomas K. Lee, Don Ampansiri, Kristin Vrbanac, Janet Graham, Margaret Andriola, Christopher O'Grady, Judy Huntley, Christopher Brown, Sameer Modasra, Jeff Schubert, Kathy LaFond, Jason Freeman, Melody Prangley, Matt Albano

Visitor: Anin-Kofi Addo, Independent Investment Consultant

With unanimous consent, the meeting was called to order at 3:08 p.m. by D. Keefe, Chair. The following items were discussed:

1. Approval of January 28, 2026 meeting minutes

   Upon motion of N. Smirensky, seconded by E. Iberger, and unanimously carried, the meeting minutes from January 28, 2026 were approved.

2. System's Proposed Operating Budget Presentation

   C. O'Grady, J. Huntley, C. Brown, S. Modasra and J. Schubert gave a presentation of the proposed operating budget for the fiscal year 2026-27.

   Upon motion of N. Smirensky, seconded by E. Iberger, and unanimously carried, the Committee voted to recommend the following resolution to the Board:

   WHEREAS, System staff has presented to the Retirement Board a proposed Operating Budget for Fiscal Year 2026-27, a copy of which is annexed hereto and made a part hereof as Appendix A, pp. 3-20; be it

   RESOLVED, That the Operating Budget for Fiscal Year 2026-27 is approved as presented.

3. Legislative Update

   D. Ampansiri reviewed the legislative program for the current year and legislation of interest introduced for the current Legislative Session that may impact the System (Appendix B, pp. 21-29).

4. First Look at Proposed Amendment to Rules and Regulations Parts 5006 and 5025

   D. Ampansiri reviewed the proposed changes to the System's Rules and Regulations relating to parts 5006 (Cessation of Membership) and 5025 (Reinstatement of Prior Membership in a Public Retirement System). The Board will be asked to take action on this at its July 2026 meeting (Appendix C, pp. 30-51).

5. Short Term Executive Director/Chief Investment Officer Succession Plan

   The Committee reviewed the designations for the period July 1, 2026 – June 30, 2027 (Appendix D, pp. 52-54)

6. Finance Reports

   The Committee members reviewed the Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position and Schedule of Administrative Expenses (Appendix E, pp. 55-59).

7. Quarterly Signatory Additions and Deletions

   The Committee reviewed the quarterly report (Appendix F, p. 60)

There being no further business and with unanimous consent, the Committee adjourned the meeting at 4:02 p.m.

Respectfully submitted,

[redacted]

Thomas K. Lee

New York State Teachers' Retirement System

Memo

To: Executive Committee/Retirement Board
From: D. Ampansiri, Jr./K. Vrbanac
CC: T. Lee
Date: July 21, 2026
Re: 2026 Legislative Update

Annually at the July meeting of the Retirement Board, staff provides a summary of legislation of significant interest for the Legislative Session ending in June of the current year and a first look at the System's Legislative Program for the following year. Together with this Memorandum is a first look at the 2027 Proposed Legislative Program, the 2026 Legislation of Interest to NYSTRS chart and the NYSTRS 2026 Legislative Program grid.

2026 Legislative Session

Program bill 26-1 (MWBE Report) passed the Senate April 28, 2026 and was introduced in the Assembly April 24, 2026. Unfortunately, bill 26-1 did not pass in the Assembly. Nonetheless, we view the introduction in this legislative session as an incremental step in the right direction relative to last year where the Assembly did not introduce the bill at all.

Proposed 2027 Legislative Program

The 2027 legislative session will be the first year of a new two-year cycle. As such, staff recommends carrying program bill 26-1 (MWBE Report) forward as program bill 27-1.

- 27-1 To change the date in which NYSTRS is required to submit the MWBE report to on or before December 31 after fiscal year end.
    - Education Law Section 508-a subdivision 2(b) currently requires NYSTRS to submit the MWBE report to the Governor, Legislature and Chief Diversity Officer of NYS within 60 days of NYSTRS fiscal year end.
    - The MWBE report information is not received or finalized until after NYSTRS' Annual Comprehensive Financial Report (ACFR) is published in November.
    - To meet the requirement under the current statute, NYSTRS must submit a preliminary report and then submit a final report once the MWBE report information is complete and finalized, customarily after the ACFR is published in November.
    - This proposal would address and eliminate the redundancy of the current two-step process of submitting two reports and allow NYSTRS to submit one final report on or before December 31 of the current year.

- There is no cost to NYSTRS. Rather, there would be expected cost savings from the elimination of redundancy in preparing the two substantially similar and near identical reports.

2026 Legislation of Interest

The 2026 Legislation of Interest to NYSTRS chart reflects those bills that have either been introduced or passed one or both houses by the Legislature and/or signed into law by the Governor. We will provide an updated chart at the October Board meeting. Below, please find a list of legislation (passed and proposed) that are of material interest to the System.

S9008C/A10008C - Chapter 58 of the Laws of 2026 (Part XX) Amends various sections of the Retirement and Social Security Law to change the retirement age for NYSTRS Tier 6 members to receive an unreduced retirement benefit from age 63 to age 58 with 30 or more years of service credit. Effective immediately and in full force and effect on or after April 1, 2026. The law also extends the period during which the calculation of employee contributions is determined on a member's base wages only, for two additional school years ending June 30, 2027 and June 30, 2028.

Proposed Legislation

S6258/A3416 – Allow NYSTRS retirees to change their retirement option beneficiary to a spouse any time prior to or after retirement, beyond the 30-day statutory window.

S3413/A533 - Amend Article 78 of CPLR Section 7806 to authorize a court with the discretion to determine and grant a petitioner the requested disability retirement when the court deems there to be insufficient medical evidence to support the retirement system's denial.

S6856/A7541 - Allows a disability retiree of NYSTRS to receive a performance of duty disability retirement benefit equal to three-quarters of FAS instead of an ordinary disability benefit, retroactive to date of retirement, July 9, 2013.

2026 LEGISLATION OF INTEREST TO NYSTRS

Senate No. Assembly No.	Subject	Introduced By

I. BUDGET

S9008C A10008C (Article VII)	Amends various sections of the Retirement and Social Security Law to change the retirement age for NYSTRS Tier 6 members to receive an unreduced retirement benefit from age 63 to age 58 with 30 or more years of service credit. Effective immediately and in full force and effect on or after April 1, 2026. Also extends the period during which the calculation of employee contributions is determined on a member's base wages only, for two additional school years ending June 30, 2027 and June 30, 2028. Last Action: 05/26/26 Passed Assembly 05/26/26 Passed Senate 05/26/26 Delivered to Governor **05/26/26 Signed into law by the Governor** **[Chapter 58 of the Laws of 2026]**	Budget (Part XX)
S9008C A10008C (Article VII)	Amends Public Officer's Law to extend the period to permit a public body, in their discretion, to use videoconferencing and remote participation in public meetings, regardless of emergency. Effective immediately and shall expire and deemed repealed July 15, 2028. Part OO is a two-year extension of Part KK of Chapter 58 of the Laws of 2024. Last Action: 05/26/26 Passed Assembly 05/26/26 Passed Senate 05/26/26 Delivered to Governor **05/26/26 Signed into law by the Governor** **[Chapter 58 of the Laws of 2026]**	Budget (Part OO)

II. AMENDMENTS TO THE RETIREMENT AND SOCIAL SECURITY LAW

S6638A A9273A	Increases the final average salary multiplier for Tiers 5 and 6 who have more than twenty years of credit in the NYSERS, NYSTRS or NYCTRS. Last Action: 01/07/26 Referred to GE (Assembly) 02/25/26 Amend and Recommit to GE, Print#9273A (Senate) 03/27/26 Amend and Recommit to CS, Print#6638A (Assembly) 05/08/26 Amend and Recommit to CS, Print#6638B (Senate) 05/12/26 Amend and Recommit to GE, Print#9273B (Assembly) **Died in both Senate CS and Assembly GE Committees**	Gounardes Pheffer Amato

Committees: GE = Assembly Governmental Employees;
W&M = Ways and Means; CS = Senate Civil Service and Pensions

S8052A A10172A	Establishes legal presumption of disability, for disability retirement purposes, for members already deemed as "disabled" by the NYS Workers' Compensation Board or the Social Security Administration to automatically be deemed "disabled" in the public retirement system. Last Action: 01/07/26 Referred to CS (Senate) 01/29/26 Ament and Recommit to CS, Print#8052A (Assembly) 02/12/26 Referred to GE (Assembly) **Died in both Senate CS and Assembly GE Committees**	Jackson Pheffer Amato
S10605 A11531	Extends the deadline to file notice of participation in the World Trade Center rescue, recover or cleanup operations from September 11, 2026 to September 11, 2030 for members who became disabled or deceased because of an accidental or on-the-job disability or death. Last Action: 06/02/26 Passed Senate 06/03/26 Passed Assembly **06/03/26 Returned to Senate to Deliver to Governor**	Jackson Fall
S10085A A11213A	Extends the 25-year presumptive eligibility period during which a retiree's benefit may be converted to a World Trade Center accidental death benefit, for injuries or illnesses relating to the rescue, recovery and cleanup operation, from 25 years to 35 years. Last Action: 06/02/26 Passed Senate 06/05/26 Passed Assembly **06/05/26 Returned to Senate to Deliver to Governor**	Jackson Pheffer Amato

III. AMENDMENTS TO THE EDUCATION LAW

S6258 A3416	Allow NYSTRS retirees to change their retirement option beneficiary to a spouse any time prior to or after retirement, beyond the 30-day statutory window. Last Action: 01/07/26 Referred to GE (Assembly) 01/07/26 Referred to CS (Senate) 01/28/26 1st Report Cal. 197 (Senate) 01/29/26 2nd Report (Senate) 02/03/26 Advanced to Third Reading (Senate) **Died in Assembly GE Committee**	Skoufis Conrad

S954 A1580	Establishes the "Teachers' Fossil Fuel Divestment Act" requiring the NYSTRS Board to create an exclusion list of coal producers and oil and gas producers and provides timeframes for divesting any investments in companies included on the exclusion list; requires reporting to the legislature. Last Action: 01/07/26 Referred to GE (Assembly) 01/07/26 Referred to CS (Senate) **Died in Both Assembly GE and Senate CS Committees**	Brisport Kelles
S9316 A8382A	Adjusts the language from paternity and filiation to parentage, to allow for gender-neutrality in the law. Last Action: 03/19/26 Passed Assembly 06/02/26 Passed Senate **06/02/26 Returned to Assembly to Deliver to Governor**	Sepulveda Paulin

IV. AMENDMENTS TO THE CIVIL SERVICE LAW

S8796 A9450	Amends the effective date of Chapter 2 of the laws of 2025 (S5760/A6624) that requires appointing authorities to provide appointment and promotion letters when extending an offer or promotion with detailed information to employees, from the ninetieth day after it was signed into law on December 19, 2025, to the earlier to occur of December 31, 2027 or 30 days after civil service confirms operating system capability. Last Actions: 01/13/26 Passed Assembly 01/28/26 Passed Senate **02/13/26 Delivered to Governor** **02/13/26 Signed into law by the Governor** **[Chapter 14 of the Laws of 2026]**	Jackson Pheffer Amato
S6990A A5912A	Require state agencies to conduct exit surveys or interviews for resigning and retiring employees. Last Action: 02/11/26 Passed Senate 02/24/26 Passed Assembly **02/24/26 Returned to Senate to Deliver to Governor**	Jackson Bores
S4773 A1396	Prevents outsourcing of service during a hiring freeze that would otherwise be performed by the state's unionized workforce. Last action: 01/12/26 Passed Assembly 04/21/26 Passed Senate **04/21/26 Returned to Assembly to Deliver to Governor**	Ryan Eachus

S10350A A1202A	Authorizes any employees reportable to NYSLRS or NYSTRS who are required to serve a waiting period for benefit under a workers' compensation claim, who are not receiving any indemnity benefits, to use any accrued time (i.e. sick, vacation, personal time or compensation time) during such waiting period. Last Actions: 05/13/26 Passed Assembly 06/01/26 Passed Senate **06/01/26 Returned to Assembly to Deliver to Governor**	Ramo Simmon
S10629 A11534	Provides and makes appropriations for compensation, terms and conditions of employment of certain state officers and employees; authorizes funding of joint labor-management committees; implements agreements between the state and employee organizations; (Part A) provides and makes appropriations for salaries of certain state officers and employees excluded from collective negotiating units; (Part B). Due to the salary increases for the upcoming years the maximum salary which may be used to calculate the ordinary death benefit will also increase. **Governor's Program #41** Last Action: 06/01/26 Referred to Finance (Senate) 06/03/26 Passed Assembly 06/03/26 Delivered to Senate **06/05/26 Delivered to Governor** **06/05/26 Signed into law by the Governor** **[Chapter 126 of the Laws of 2026]**	Jackson Pheffer Amato

V. <u>AMENDMENTS TO THE LABOR LAW</u>

S4925 A4936	Requires training to reduce abusive conduct and bullying in the workplace as part of a written workplace violence prevention program. Last Action: 01/07/26 Referred to Labor (Assembly) 03/11/26 Passed Senate 03/11/26 Delivered to Assembly and Referred to Labor **Died in Assembly Labor Committee**	Ramos Bronson
S496 A618	Require employers to inform employees that non-disclosure or non-disparagement provisions in their employment contracts do not prohibit them from speaking with law enforcement, the equal employment opportunity commission, the state division of human rights, a local commission on human rights, or an attorney retained by the employee. Last Action: 01/27/26 Passed Assembly 02/04/26 Passed Senate **02/04/26 Returned to Assembly to Deliver to Governor**	Shimsky Fernandez

S8822 A9452	Amends the term “employer” to include any person, corporation, limited liability company, or association employing any individual in any occupation, industry, trade, business or service including the state and prohibits any employers from using employment promissory notes. Last Action: 01/21/26 Passed Assembly 01/28/26 Passed Senate 02/13/26 Delivered to Governor **02/13/26 Signed into law by the Governor** **[Chapter 16 of the Laws of 2026]**	May Steck
S10057 A368A	Requires employers to obtain written acknowledgment of their employees for attending sexual harassment prevention policy and training. Last Action: 05/12/26 Passed Assembly 05/19/26 Passed Senate **05/19/26 Returned to Assembly to Deliver to Governor**	Ramos Rozic
S3460 A2107	Provides all employees, private and public, with the opportunity to review their personnel records and be notified when a negative report is filed against them. Last Action: 04/22/26 Passed Senate 05/19/26 Passed Assembly **05/19/26 Returned to Senate to Deliver to Governor**	Gounardes Gonzalez-Rojas
S9406 A10351	Provides public employees leaves of absence from employment for members of the Unites State Air Force Auxiliary Civil Air Patrol or the United States Coast Guard Auxiliary Pilots who respond to a declared state of emergency or during an assigned mission. Last Action: 05/04/26 Passed Assembly 06/03/26 Passed Senate **06/03/26 Returned to Assembly to Deliver to Governor**	Liu Lupardo
S8494C A9350C	Permits leaves of absence from a place of employment for members of the United States Air Force Auxiliary Civil Air Patrol or the United States Coast Guard Auxiliary Pilots who respond to a declared state of emergency or during an assigned mission. Last Action: 05/13/26 Passed Assembly 06/02/26 Passed Senate **06/02/26 Returned to Assembly to Deliver to Governor**	Liu Lupardo

VI. STATE TECHNOLOGY LAW

S933 A1205	Establishes the position of chief artificial intelligence officer and such person's functions, powers and duties, including, but not limited to, developing statewide artificial intelligence policies and governance, coordinating the activities of all state departments, boards, commissions, agencies and authorities performing any functions using artificial intelligence tools. Last Action: 03/05/26 Passed Senate 03/05/26 Delivered to Assembly 03/05/26 Referred to Governmental Operations (Assembly) **Died in Assembly Governmental Operations Committee**	Gonzalez Solages

VII. OTHERS

S3413 A533	Amend Article 78 of CPLR Section 7806 to authorize and bestow upon a court the discretion to determine and grant a petitioner the requested disability retirement when the court deems there to be insufficient medical evidence to support the retirement system's denial. Last Action: 01/07/26 Referred to Judiciary (Assembly) 04/29/26 Passed Senate 04/29/26 Referred to Judiciary (Assembly) **Died in Assembly Judiciary Committee**	Jackson Pheffer Amato
S2271	Amends Executive Law to prohibit employers from requesting or requiring prospective employees to disclose their age, date of birth or date of graduation on employment application or in an interview. Last Action: 03/09/26 Passed Senate 03/09/26 Delivered to Assembly 03/09/26 Referred to Governmental Operations **No Introduction in Assembly Governmental Operations Committee**	Krueger
S2499 A5799	Amends Workers Compensation Law to eliminate the requirement for an employee on paid family medical leave to request reinstatement to their position before filing a complaint of unlawful discrimination. Last Action: 01/07/26 Referred to Labor (Assembly) 03/23/26 Passed Senate 03/23/26 Referred to Labor (Assembly) **Died in Assembly Labor Committee**	Gounardes Solages

S9739 A2321A	Amends Public Officers Law to require all agencies to report information about freedom of information law requests to the committee on open government. Last Action: 03/19/26 Passed Assembly 03/19/26 Delivered to Senate 04/02/26 Referred to Investigations and GO (Senate) 06/01/26 Recalled from Senate and returned to Assembly 06/01/26 Vote Reconsidered & Restored to Third Reading in Assembly 06/01/26 Amended on Third Reading 2321A 06/04/26 Committed to Rules (Senate) **Died in Senate Rules Committee**	Kavanagh McDonald
S1666 A7796	Amends Public Officers Law to clarify that the exception to release lists of natural persons and residential addresses should not apply to vendors or others engaged in a business or professional activity. Last Action: 03/23/26 Passed Assembly 03/23/26 Delivered to Senate **Died in Senate Investigations & Government Operations Committee**	Harckham Kelles
S413 A293	Amends General Obligation Law to ban "no-rehire" clauses in settlement agreements and make them unenforceable for employees and independent contractors that have filed a claim against their employer. Last Action: 03/25/26 Passed Senate 03/25/26 Delivered to Assembly 03/25/26 Referred to Judiciary (Assembly) **Died in Assembly Judiciary Committee**	Gounardes Cruz
S2324 A5009	Amends Public Authorities Law to require review and approval by the attorney general and comptroller for all proposed sales of real estate by the state or public authority to private entities with an estimated market value in excess of $250,000. Last Action: 01/07/26 Referred to Gov't Operations (Assembly) 02/09/26 Passed Senate 02/09/26 Delivered to Assembly and Referred to Governmental Operations **Died in Assembly Governmental Operations Committee**	Comrie Zinerman
S8789 A9475	Amends General Business Law to prohibit the use of consumer credit history in hiring, employment and licensing determinations. Last Action: 01/29/26 Passed Senate 02/03/26 Passed Assembly 02/13/26 Delivered to Governor **02/13/26 Signed into law by the Governor** **[Chapter 71 of the Laws of 2026]**	Sanders Dinowitz

S6376A A8482A	Amends Workers' Compensation Law to prohibit insurance carriers and employers from withholding or diminishing certain benefits from an injured worker's demonstration of attachment to the labor market. Last Action: 05/13/26 Passed Assembly 06/04/26 Passed Senate **06/04/26 Returned to Assembly to Deliver to Governor**	Scarcella-Spanton Cruz
S3866B A1740A	Amends Public Buildings Law to require any public building owned or leased by the state provide free menstrual products in all female-designated and gender-neutral washrooms. Last Action: 04/28/26 Passed Assembly 05/07/26 Passed Senate **05/07/26 Returned to Assembly to Deliver to Governor**	Hinchey Rosenthal
S8227A A7194C	Amends General Business Law to prohibit employers from using student loan payment credit history of an applicant for employment in determining hiring decisions. Last Action: 05/13/26 Amend and Recommit to Labor, Print#8227A (Senate) 05/20/26 1st Report Cal (Senate) 05/20/26 Passed Assembly 05/21/26 2nd Report Cal (Senate) 05/26/26 Advanced to Third Reading (Senate) 06/04/26 Committed to Rules (Senate) **Died in Senate Rules Committee**	Ramos Bichotte Hermelyn
S10650 A11538	Amends Military Law to extend the deadline for New York National Guard Members and their beneficiaries to file claims for accidental disability and death benefits from September 11, 2026 to September 11, 2030. Last Action: 06/04/26 Passed Assembly 06/04/26 Passed Senate **06/04/26 Returned to Assembly to Deliver to Governor**	Kavanagh Lee
S9592 A9609	Amends Workers' Compensation Law to authorize an attending nurse practitioner to complete forms for a patient regarding proof of disability. Last Action: 06/03/26 Passed Assembly 06/03/26 Passed Senate **06/03/26 Returned to Assembly to Deliver to Governor**	Hinchey Paulin

VIII. SPECIAL INTEREST MEMBER BILLS

S4485A	Grants James Demarco retroactive membership in the NYSTRS from Tier 2 to Tier 1 based on the time he was a non-member for seasonal employment in July 1969. Last Action: 01/07/26 Referred to CS (Senate) 01/30/26 Amend and Recommit to CS (Senate) 01/30/26 Print #S4485A **Died in Senate CS Committee**	Gallivan
S4490A A7785A	Allows Christine Hasseler, retired Tier 1 member of NYSTRS, to have her retirement benefit recalculated to include retirement incentive payments that her employer failed to pay her within the required timeframe, before the end of her retirement year. Last Action: 01/07/26 Referred to GE (Assembly) 03/05/26 Amend and Recommit to GE, Print#7785A (Assembly) 06/05/26 Passed Senate **Died in Assembly GE Committee**	Helming Manktelow
S4491A A7780A	Allows Jeffrey Alva Beall, who retired as a Tier 4 from NYSTRS before Chapter 41 of the Laws of 2016 was signed into law, to purchase 3 years of military service for the period of active-duty service between April 17, 1984 to February 27, 1987, retroactive to his effective date of retirement. Last Action: 01/07/26 Referred to CS (Senate) 01/07/26 Referred to GE (Assembly) 02/13/26 Amend and Recommit to CS, Print#S4491A (Senate) 03/05/26 Amend and Recommit to GE, Print#A7780A (Assembly) **Died in both Senate CS and Assembly GE Committees**	Helming Manktelow
A7073	Grants' retroactive membership to Eileen Saumell in NYSTRS based on her employment for the period of August 8, 1994 to August 27, 2004 with the Nassau County Demonstration Project, a non-participating employer. Last Action: 01/07/26 Referred to GE (Assembly) **Died in Assembly GE Committee**	Gandolfo
S7339 A7083A	Authorizes retired member Carl Spatola to receive a refund of contributions from NYSTRS for the period of October 1, 2000 through June 30, 2004, the period prior to the transfer between retirement systems. Last Action: 01/07/26 Referred to GE (Assembly) 01/07/26 Referred to CS (Senate) 03/12/26 Amend and Recommit to GE (Assembly) **Died in both Senate CS and Assembly GE Committees**	Weik Gandolfo

S6856 A7541	Allows a disability retiree of NYSTRS to receive a performance of duty disability retirement benefit equal to three-quarters of FAS instead of an ordinary disability benefit, retroactive to date of retirement, July 9, 2013. Last Action: 01/07/26 Referred to CS (Senate) 01/07/26 Referred to GE (Assembly) **Died in both Senate CS and Assembly GE Committees**	Palumbo Giglio
A8179	Removes the exclusion of salary increases greater than 10% of the average of the prior two years' in calculating the final average salary of Joanne Halverson when she retires in June 2025. Last Action: 01/07/26 Referred to GE (Assembly) **Died in Assembly GE Committee**	DeStefano
S9100 A10174	Provides Tina Russo with additional service credit to adjust her actual service of 29 years and 4 months to a recalculation of her pension based on 30 years of service, retroactive to her date of retirement, February 1, 2025. Last Action: 02/12/26 Referred to GE (Assembly) 04/29/26 Amend and Recommit to GE, Print#10174A (Assembly) 06/03/26 Passed Senate 06/03/26 Delivered to Assembly 06/04/26 Referred to GE **Died in Assembly GE Committee**	Harckham Slater
S9412	Allows Karen Schieber, currently an active Tier V member, to be reclassified as a Tier IV based on her previous employment by the Town of West Seneca from July 16, 1996 through September 16, 2002, that she was eligible to join the System, but never filed a membership application. Last Action: 03/10/26 Referred to CS (Senate) **Died in Senate CS Committee**	Galivan
S10394 A10963	Authorizes Michael Hall, a retiree of NYSTRS, who elected the 100% survivor option to submit a change of benefit election to the Maximum benefit, effective as of the date of retirement, January 31, 2004. Last Action: 04/14/26 Referred to GE (Assembly) 05/15/26 Referred to CS (Senate) **Died in both Senate CS and Assembly GE Committees**	Borrello Hawley
S10475	Allows Aileen Monahan, retiree of NYSTRS, to transfer 2.3 years of service credit earned in NYSLRS to NYSTRS and have their pension benefit recalculated retroactive to the date of retirement. Last Action: 05/15/26 Referred to CS **Died in Senate CS Committee**	Canzoneri- Fitzpatrick

NYSTRS 2026 LEGISLATIVE PROGRAM GRID

Subject	Com. Ref.	2025 Bill No.	Sponsor	Report 1st/2nd	3RD Reading	Passed	To Gov.	Gov.'s Action
26-1 Amends Education Law Section 508-a subdivision 2 (b) to change the due date by which the New York State Teachers' Retirement System is required to submit the MWBE report to on or before December 31 after fiscal year end. No Cost	01/07/26 CS 04/15/26 Amend & Recommit Print# A CS --------- 04/24/26 GE 04/28/26 GE	S8234A ------- A11109	Jackson --------- Pheffer Amato	04/21/26 1st Report 04/22/26 2nd Report ---------	04/27/26 ---------	04/28/26 ---------	----------	

Committees: GE = Governmental Employees;
W&M = Ways and Means; CS = Civil Service and Pensions

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM

Memorandum

TO: Executive Committee of Retirement Board

FROM: D. Ampansiri, Jr.; S. Bonesteel

SUBJECT: Proposed Amendments to the System's Rules and Regulations

DATE: July 20, 2026

CC: T. Lee

As discussed at the April 2026 meeting of the Executive Committee of the Retirement Board, Member Relations and Office of the General Counsel propose amendments to **Parts 5006 (Cessation of Membership)** and **5025 (Reinstatement of Prior Membership in a Public Retirement System)** of the System's Rules and Regulations. The proposals are intended to provide more clarity, better define and prevent usage and application of terms incorrectly perceived to be interchangeable, clean-up language that are no longer applicable, and to more clearly communicate and explain the processes and requirements of membership cessation and reinstatement within the System.

The respective proposals are summarized below. We are providing the proposed amendments in two formats (a mark-up and a clean version) and accompanying resolutions for your consideration.

Part 5006 – Cessation of Membership. The difference between a ceased and cancelled membership, or cessation versus cancelation, within NYSTRS is nuanced, but also distinct and crucial. To prevent confusion and to facilitate accurate usage and application of the terms, staff recommends amendments to Part 5006 to add "Cancellation" and "Cessation" as defined terms and correct the terminology within the Sections of Part 5006 to clearly differentiate between ceased memberships and cancelled memberships. For example, one can only cease membership that has validly been established. For memberships that have not, for a myriad of reasons including insufficient service or none, memberships will be cancelled. The determination of whether a membership is ceased or cancelled will in turn determine eligibility for continuing and/or additional System benefits. The respective proposals are summarized below.

§5006.1, provisions (c) and (d)
Amend §5006.1 to add definitions of “Cancellation” and “Cessation” as new provisions (c) and (d) respectively.

§**5006.2, provisions (a) and (b)**
Amend §5006.2 (a) and (b) to remove the term “cancelled/cancellation” and replace it with the term “ceased/cessation”.

§**5006.2, provision (c)**
Amend §5006.2 (c) to add and clarify that interest when a membership ceases may be credited to the member’s annuity savings fund or the member’s contribution fund (whichever is applicable) and replace the term “cancellation” with the term “cessation”.

§**5006.2, provisions (d) and (e)**
Amend §5006.2 (d) and (e) to clarify the minimum number of days of service required for membership, certain mechanics for determining cessation, and replace the term “cancelled” with the term “ceased”.

Part 5025 – Reinstatement of a Prior Membership in a Public Retirement System. Statute is clear that reinstatement is available to only active members of a public retirement system (not retirees), and once completed, such reinstatement is irrevocable. To better clarify and re-emphasize the above, along with cleaning up language and administrative requirement/s that are no longer applicable, and to provide better clarity on process and deadlines staff recommends and proposes the amendments to Part 5025 as summarized below.

§5025.3, provision (a)
Amend §5025.3 (a) to remove the requirement that the application for reinstatement must be acknowledged by a notary public. The spirit behind such a requirement was to confirm the applicant’s understanding that the election to reinstate is irrevocable. Upon further consideration and based upon lived experience, staff have not observed this requirement to be effective in serving such intended purpose and accordingly recommends its removal.

§5025.3, provision (e)
Amend §5025.3 (e) to add clarity that members who have already retired, including those who have received a retirement benefit (such as a lump sum benefit) are not eligible for reinstatement.

§5025.3, provision (g)(4)

Amend §5025.3 (g)(4) to remove death as the earliest expiration date for a member to confirm intent to reinstate, as such an event would render any such reinstatement and/or eligibility for same moot, and to clarify that eligibility for reinstatement is the later of the expiration of 30 days from the notification of their eligibility for reinstatement or the date on which their retirement benefit is closed out.

§5025.4, provision (a)

Amend §5025.4 (a) to clarify that a reinstatement of a prior membership is irrevocable once it is completed, meaning that the member has paid for the reinstatement. The application itself does not complete the process.

§5025.4, provision (b)(2)

Amend §5025.4 (b)(2) to clarify that the member's obligations to make contributions shall cease as of the first day of the plan year in which the member is reinstated, rather than the year in which the application is made. This is to reinforce that the reinstatement is not completed until the payment has been received by NYSTRS.

PART 5006

CESSATION OF MEMBERSHIP

(Statutory authority: Education Law, §503 [subd. 3])

Section 5006.1 DEFINITIONS AS USED IN PART 5006.

(a) Service: Twenty days of service rendered on and after July 1, 1968, shall be equivalent to one year of service solely for the purpose of continuing membership.

(b) Year: A year means a school year beginning July 1 of one year and ending June 30 of the following year.

(c) Cancellation: Where the requirements to establish membership were not met, membership will be cancelled. Cancelled memberships are not eligible to be reinstated as a valid membership was never established.

~~(b)~~(d) Cessation: Where a valid membership was established, cessation is the termination of the membership when the requirements for continuing membership are no longer met.

Section 5006.2 GENERAL.

(a) The membership of any person in the Retirement System shall cease upon the withdrawal by a contributor of their accumulated contributions, or upon retirement on a pension, or at death, or when seven years have elapsed since the member has performed service as a teacher which was credited with the Retirement System (at least 20 days in a school year), except that a membership shall not be ceased~~ancelled~~ under the following conditions:

(1) when vesting has occurred;

(2) where a member who has not had sufficient service to be eligible for a disability and who, prior to the cessation~~ancellation~~ of their membership, proves to the satisfaction of the Retirement Board that they were disabled at the time they ceased teaching and continues to be disabled from the same disability which caused cessation of teaching;

(3) where a member is eligible for a retirement allowance other than a disability;

(4) while a member is on an approved military leave, pursuant to Section 243 of the Military Law.

(b) All memberships are c<ins>eased</ins>~~ancelled~~ as of June 30 of the school year during which membership ceases.

(c) When membership ceases, interest is credited to the member's annuity savings fund <ins>or member contribution fund </ins>to the date of c<ins>essation</ins>~~ancellation~~ of membership if the member was sent a warning that membership would cease. If the System did not send such warning, interest is credited to the date of notification of c<ins>essation</ins>~~ancellation~~ of membership. However, under no circumstances is interest <ins>on member contributions </ins>credited after the date of death of a member.

(d) Notwithstanding that during the first year of membership, the member <ins>renders service but </ins>fails to render ~~at least~~ the equivalent of 20 <ins>or more </ins>days of teaching service, their membership will not be c<ins>eased</ins>~~ancelled~~. However, the base period for determining membership cessation will begin with the date of membership.

(e) Notwithstanding the provisions of subdivision (a) of this Section, the membership of any person who last joined the Retirement System prior to July 1, 1984 shall not be c<ins>eased</ins>~~ancelled~~ if such person has at least five years of credited service as a teacher in any period of 10 consecutive years as hereinafter set forth:

(1) To retain membership, a member must have at least one year of service in a six-year period, two years of service in a seven-year period, three years of service in an eight-year period, four years of service in a nine-year period, or five years of service in a 10-year period.

(2) A membership will cease on June 30 of the year that the member is out of teaching for five consecutive years, unless the member renders 20 or more days of teaching service prior to June 30 of the following year.

PART 5006

CESSATION OF MEMBERSHIP

(Statutory authority: Education Law, §503 [subd. 3])

Section 5006.1 DEFINITIONS AS USED IN PART 5006.

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(b) Year: A year means a school year beginning July 1 of one year and ending June 30 of the following year.

(c) Cancellation: Where the requirements to establish membership were not met, membership will be cancelled. Cancelled memberships are not eligible to be reinstated as a valid membership was never established.

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Section 5006.2 GENERAL.

(a) The membership of any person in the Retirement System shall cease upon the withdrawal by a contributor of their accumulated contributions, or upon retirement on a pension, or at death, or when seven years have elapsed since the member has performed service as a teacher which was credited with the Retirement System (at least 20 days in a school year), except that a membership shall not be ceased under the following conditions:

(1) when vesting has occurred;

(2) where a member who has not had sufficient service to be eligible for a disability and who, prior to the cessation of their membership, proves to the satisfaction of the Retirement Board that they were disabled at the time they ceased teaching and continues to be disabled from the same disability which caused cessation of teaching;

(3) where a member is eligible for a retirement allowance other than a disability;

(4) while a member is on an approved military leave, pursuant to Section 243 of the Military Law.

(b) All memberships are c as of June 30 of the school year during which membership ceases.

(c) When membership ceases, interest is credited to the member's annuity savings fund or member contribution fund to the date of cessation of membership if the member was sent a warning that membership would cease. If the System did not send such warning, interest is credited to the date of notification of cessation of membership. However, under no circumstances is interest on member contributions credited after the date of death of a member.

(d) Notwithstanding that during the first year of membership, the member renders service but fails to render the equivalent of 20 or more days of teaching service, their membership will not be ceased. However, the base period for determining membership cessation will begin with the date of membership.

(e) Notwithstanding the provisions of subdivision (a) of this Section, the membership of any person who last joined the Retirement System prior to July 1, 1984 shall not be ceased if such person has at least five years of credited service as a teacher in any period of 10 consecutive years as hereinafter set forth:

(1) To retain membership, a member must have at least one year of service in a six-year period, two years of service in a seven-year period, three years of service in an eight-year period, four years of service in a nine-year period, or five years of service in a 10-year period.

(2) A membership will cease on June 30 of the year that the member is out of teaching for five consecutive years, unless the member renders 20 or more days of teaching service prior to June 30 of the following year.

PART 5025

REINSTATEMENT OF A PRIOR
MEMBERSHIP IN A PUBLIC RETIREMENT SYSTEM

(Statutory authority: Retirement and Social Security Law §645)

Section 5025.1 PURPOSE. This Part implements Section 645 of the Retirement and Social Security Law added by Chapter 640 of the Laws of 1998 providing for the reinstatement of a prior membership in a public retirement system.

Section 5025.2 DEFINITIONS AS USED IN THIS PART. As used in this Part, the term “public retirement system” shall mean this System, the New York State and Local Employees' Retirement System, the New York State and Local Police and Fire Retirement System, the New York City Employees' Retirement System, the New York City Teachers’ Retirement System, the New York City Board of Education Retirement System, the New York City Police Pension Fund, or the New York City Fire Department Pension Fund, unless the context otherwise requires a different meaning.

Section 5025.3 APPLICATION FOR REINSTATEMENT OF PRIOR MEMBERSHIP.

(a) A member may apply for reinstatement of a prior membership in a public retirement system by filing the form provided to such member by the System duly signed by the member ~~and acknowledged by a notary public~~ or, upon joining or rejoining the System, by completing the appropriate portion of a membership application filed with the System.

(b) Where a member is required to repay amounts previously refunded at the time such prior membership in a public retirement system ceased as a condition to reinstatement of such prior membership, such amounts, together with interest thereon, must be paid in a lump sum. Repayments of previously paid out benefits shall comply with Section 415(k)(3) of the Internal Revenue Code and any Treasury Regulations thereunder.

(c) A member of this System subject to Article 14 or 15 of the Retirement and Social Security Law may not obtain reinstatement of a prior membership not subject to either Article unless and until such member shall have repaid in full any loan of the member's accumulated contributions pursuant to either such Article, as applicable.

(d) A member of this System shall be entitled to have a prior membership in a public retirement system reinstated, notwithstanding transfer of such membership to another public retirement system of the State, provided such membership shall have ceased following transfer by reason of insufficient service, withdrawal of accumulated contributions, or withdrawal of membership.

(e) No member of the System entitled to reinstatement of a prior membership in a public retirement system shall be entitled to credit for service rendered prior to the date the member last joined the System where the member has received a benefit, is receiving a benefit or is entitled to receive in the future a benefit from any public retirement system of the State or any other state for such service.

(f) A member who was retired from this System for service or with a deferred vested benefit shall be deemed a member, and not a retiree, of a public retirement system for the purposes of this Part only if the member shall have elected the provisions of paragraph b of subdivision 11 of Section 503 of the Education Law. Upon reinstatement, however, any such member with an original date of membership prior to June 30, 1973, shall be entitled to all the rights, benefits and privileges to which such member would have been entitled, had the member entered into membership in the System on June 30, 1973.

(g) A member may apply for reinstatement of a prior membership date at retirement. In such event, the following procedure shall apply:

(1) the member shall be retired under their existing membership date unless or until they file a confirmation of their intention to be reinstated to a prior membership as provided in this Part;

(2) if the System determines based upon the information provided to it by the member or a review of the member's file with the System that the member is eligible for reinstatement, it shall so notify the member and they shall thereafter have 30 days within which to file a confirmation of their intention to be reinstated to a prior membership date;

(3) the member's confirmation of their intention to be reinstated to a prior membership date shall be on a form provided to them by the System duly signed by the member and acknowledged by a notary public; such confirmation upon filing with the System shall be irrevocable;

(4) the member's right to confirm their intention to be reinstated to a prior membership date shall be extinguished on the occurrence of the ~~earliest~~ later of

~~(i) their death,~~

~~(ii)~~(i) the expiration of the 30 day period from the notification of their eligibility for reinstatement; or,

~~(iii)~~(ii) the date on which their retirement benefit is finally determined (i.e., “final close-out”);

(5) Section 5025.3(g) shall have no application to a member who has already been reinstated to a prior membership date or to a member who last joined on or after July 27, 1976, and whose loan pursuant to Section 517(b) or 613(a) has not been repaid in full no later than 30 days following the member’s effective date of retirement.

Section 5025.4 EFFECT OF REINSTATEMENT.

(a) A reinstatement of a prior membership shall be irrevocable once completed.

(b) Where a member subject to the provisions of Article 14 or 15 of the Retirement and Social Security Law has a prior membership not subject to either such Article reinstated pursuant to this Part, the member’s obligation to make contributions pursuant to either such Article, as applicable, shall be deemed to have ceased as follows:

(1) where the member makes application prior to June 30, 1999, such obligation shall cease as of January 1, 1999;

(2) where the member makes application on or after July 1, 1999, such obligation shall cease as of the first day of the plan year in which the member is reinstated ~~such application is made~~.

(c) When a member subject to the provisions of Article 14 or 15 of the Retirement and Social Security Law has a prior membership subject to either such Article dated prior to January 1, 2010, reinstated pursuant to this Part and such member’s obligation to make contributions had not previously ceased by reason of Section 902(b) of the Retirement and Social Security Law, the member’s obligation to make contributions pursuant to either such Article, as applicable, shall cease by reason of having attained 10 or more years of membership as of the later of:

(1) the first day of the plan year in which the member is reinstated; or,

(2) the first day of the month next following the day on which the member attains 10 or more years of membership after giving effect to the reinstatement of the prior membership date.

The right of a reinstated member to cease contributions by reason of having accumulated 10 or more years of credited service shall be determined pursuant to the rules in Section 5001.8 of these Rules and Regulations.

(d) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after January 1, 2010, and prior to April 1, 2012, has a prior membership subject to Article 14 or 15 of the Retirement and Social Security Law dated prior to January 1, 2010, reinstated pursuant to this Part, such member's obligation to make contributions at the rate of 3.5 percent rather than at the rate of 3 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made at the rate of 3.5 percent prior to such date.

(e) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after April 1, 2012, has a prior membership subject to Article 14 or 15 of the Retirement and Social Security Law dated prior to January 1, 2010, reinstated pursuant to this Part, such member's obligation to make contributions at the rate prescribed by Section 613 of the Retirement and Social Security Law, as amended by Chapter 18 of the Laws of 2012, rather than at the rate of 3 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made prior to such date.

(f) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after April 1, 2012, has a prior membership subject to Article 15 of the Retirement and Social Security Law dated on or after January 1, 2010, and prior to April 1, 2012, reinstated pursuant to this Part, such member's obligation to make contributions at the rate prescribed by Section 613 of the Retirement and Social Security Law, as amended by Chapter 18 of the Laws of 2012, rather than at the rate of 3.5 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made prior to such date.

(g) Where a member's earliest prior membership in a public retirement system was in the New York City Teachers' Retirement System and subject to Chapter 522 or 523 of the Laws of 1988, such member, upon reinstatement, shall only be entitled to the rights, benefits and privileges had the member entered into membership in the System on June 30, 1976, or June 30, 1973, as applicable.

(h) Where a member's prior membership was subject to the provisions of Article 11, 14 or 15 of the Retirement and Social Security Law, the death benefit election pursuant to Sections 448(a), 508(a) or 606(a) of the Retirement and Social Security Law, as applicable, made by the member when the member last joined the System shall control over any election made during the prior membership.

(i) When a Tier 6 member is reinstated to a membership dated on or after April 1, 2012, such member's rate of contribution and employer projection period shall be determined by the date the member last entered the Retirement System.

PART 5025

REINSTATEMENT OF A PRIOR
MEMBERSHIP IN A PUBLIC RETIREMENT SYSTEM

(Statutory authority: Retirement and Social Security Law §645)

Section

Section 5025.1 PURPOSE. This Part implements Section 645 of the Retirement and Social Security Law added by Chapter 640 of the Laws of 1998 providing for the reinstatement of a prior membership in a public retirement system.

Section 5025.2 DEFINITIONS AS USED IN THIS PART. As used in this Part, the term "public retirement system" shall mean this System, the New York State and Local Employees' Retirement System, the New York State and Local Police and Fire Retirement System, the New York City Employees' Retirement System, the New York City Teachers' Retirement System, the New York City Board of Education Retirement System, the New York City Police Pension Fund, or the New York City Fire Department Pension Fund, unless the context otherwise requires a different meaning.

Section 5025.3 APPLICATION FOR REINSTATEMENT OF PRIOR MEMBERSHIP.

(a) A member may apply for reinstatement of a prior membership in a public retirement system by filing the form provided to such member by the System duly signed by the member or, upon joining or rejoining the System, by completing the appropriate portion of a membership application filed with the System.

(b) Where a member is required to repay amounts previously refunded at the time such prior membership in a public retirement system ceased as a condition to reinstatement of such prior membership, such amounts, together with interest thereon, must be paid in a lump sum. Repayments of previously paid out benefits shall comply with Section 415(k)(3) of the Internal Revenue Code and any Treasury Regulations thereunder.

(c) A member of this System subject to Article 14 or 15 of the Retirement and Social Security Law may not obtain reinstatement of a prior membership not subject to either Article unless and until such member shall have repaid in full any loan of the member's accumulated contributions pursuant to either such Article, as applicable.

(d) A member of this System shall be entitled to have a prior membership in a public retirement system reinstated, notwithstanding transfer of such membership to another public retirement system of the State, provided such membership shall have ceased following transfer by reason of insufficient service, withdrawal of accumulated contributions, or withdrawal of membership.

(e) No member of the System entitled to reinstatement of a prior membership in a public retirement system shall be entitled to credit for service rendered prior to the date the member last joined the System where the member has received a benefit, is receiving a benefit or is entitled to receive in the future a benefit from any public retirement system of the State or any other state for such service.

(f) A member who was retired from this System for service or with a deferred vested benefit shall be deemed a member, and not a retiree, of a public retirement system for the purposes of this Part only if the member shall have elected the provisions of paragraph b of subdivision 11 of Section 503 of the Education Law. Upon reinstatement, however, any such member with an original date of membership prior to June 30, 1973, shall be entitled to all the rights, benefits and privileges to which such member would have been entitled, had the member entered into membership in the System on June 30, 1973.

(g) A member may apply for reinstatement of a prior membership date at retirement. In such event, the following procedure shall apply:

(1) the member shall be retired under their existing membership date unless or until they file a confirmation of their intention to be reinstated to a prior membership as provided in this Part;

(2) if the System determines based upon the information provided to it by the member or a review of the member's file with the System that the member is eligible for reinstatement, it shall so notify the member and they shall thereafter have 30 days within which to file a confirmation of their intention to be reinstated to a prior membership date;

(3) the member's confirmation of their intention to be reinstated to a prior membership date shall be on a form provided to them by the System duly signed by the member and acknowledged by a notary public; such confirmation upon filing with the System shall be irrevocable;

(4) the member's right to confirm their intention to be reinstated to a prior membership date shall be extinguished on the occurrence of the later of

(i) the expiration of the 30 day period from the notification of their eligibility for reinstatement; or,

(ii) the date on which their retirement benefit is finally determined (i.e., “final close-out”);

(5) Section 5025.3(g) shall have no application to a member who has already been reinstated to a prior membership date or to a member who last joined on or after July 27, 1976, and whose loan pursuant to Section 517(b) or 613(a) has not been repaid in full no later than 30 days following the member’s effective date of retirement.

Section 5025.4 EFFECT OF REINSTATEMENT.

(a) A reinstatement of a prior membership shall be irrevocable once completed.

(b) Where a member subject to the provisions of Article 14 or 15 of the Retirement and Social Security Law has a prior membership not subject to either such Article reinstated pursuant to this Part, the member’s obligation to make contributions pursuant to either such Article, as applicable, shall be deemed to have ceased as follows:

(1) where the member makes application prior to June 30, 1999, such obligation shall cease as of January 1, 1999;

(2) where the member makes application on or after July 1, 1999, such obligation shall cease as of the first day of the plan year in which the member is reinstated.

(c) When a member subject to the provisions of Article 14 or 15 of the Retirement and Social Security Law has a prior membership subject to either such Article dated prior to January 1, 2010, reinstated pursuant to this Part and such member’s obligation to make contributions had not previously ceased by reason of Section 902(b) of the Retirement and Social Security Law, the member’s obligation to make contributions pursuant to either such Article, as applicable, shall cease by reason of having attained 10 or more years of membership as of the later of:

(1) the first day of the plan year in which the member is reinstated; or,

(2) the first day of the month next following the day on which the member attains 10 or more years of membership after giving effect to the reinstatement of the prior membership date.

The right of a reinstated member to cease contributions by reason of having accumulated 10 or more years of credited service shall be determined pursuant to the rules in Section 5001.8 of these Rules and Regulations.

(d) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after January 1, 2010, and prior to April 1, 2012, has a prior membership subject to Article 14 or 15 of the Retirement and Social Security Law dated prior to January 1, 2010, reinstated pursuant to this Part, such member's obligation to make contributions at the rate of 3.5 percent rather than at the rate of 3 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made at the rate of 3.5 percent prior to such date.

(e) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after April 1, 2012, has a prior membership subject to Article 14 or 15 of the Retirement and Social Security Law dated prior to January 1, 2010, reinstated pursuant to this Part, such member's obligation to make contributions at the rate prescribed by Section 613 of the Retirement and Social Security Law, as amended by Chapter 18 of the Laws of 2012, rather than at the rate of 3 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made prior to such date.

(f) When a member subject to the provisions of Article 15 of the Retirement and Social Security Law with a membership date on or after April 1, 2012, has a prior membership subject to Article 15 of the Retirement and Social Security Law dated on or after January 1, 2010, and prior to April 1, 2012, reinstated pursuant to this Part, such member's obligation to make contributions at the rate prescribed by Section 613 of the Retirement and Social Security Law, as amended by Chapter 18 of the Laws of 2012, rather than at the rate of 3.5 percent shall cease as of the first day of the plan year in which the member is reinstated. No refund shall be made in respect of contributions made prior to such date.

(g) Where a member's earliest prior membership in a public retirement system was in the New York City Teachers' Retirement System and subject to Chapter 522 or 523 of the Laws of 1988, such member, upon reinstatement, shall only be entitled to the rights, benefits and privileges had the member entered into membership in the System on June 30, 1976, or June 30, 1973, as applicable.

(h) Where a member's prior membership was subject to the provisions of Article 11, 14 or 15 of the Retirement and Social Security Law, the death benefit election pursuant to Sections 448(a), 508(a) or 606(a) of the Retirement and Social Security Law, as applicable, made by the member when the member last joined the System shall control over any election made during the prior membership.

(i) When a Tier 6 member is reinstated to a membership dated on or after April 1, 2012, such member's rate of contribution and employer projection period shall be determined by the date the member last entered the Retirement System.

Executive Committee Meeting
July 29, 2026

RESOLUTION AMENDING THE SYSTEM'S RULES AND REGULATIONS
Part 5006 – Cessation of Membership

WHEREAS, Part 5006 of the System's Rules and Regulations governs the provisions relating to cessation of membership;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.1, provisions (c) and (d) to add definitions of "Cancellation" and "Cessation" as new provisions (c) and (d) respectively;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.2 (a) and (b) to remove the term "cancelled/cancellation" and replace it with the term "ceased/cessation";

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.2 (d) and (e) to clarify the minimum number of days of service required for membership, certain mechanics for determining cessation, and replace the term "cancelled" with the term "ceased"; be it therefore

RESOLVED, That, effective immediately, the following amendments to Section 5006 of the Rules and Regulations of the New York State Teachers' Retirement System be adopted and implemented, a copy of which is annexed hereto and made a part thereof of Appendix ___, page ___.

Executive Committee Meeting
July 29, 2026

RESOLUTION AMENDING THE SYSTEM'S RULES AND REGULATIONS

Part 5025 – Reinstatement of a Prior Membership in a Public Retirement System

WHEREAS, Part 5025 of the System's Rules and Regulations governs the provisions relating to reinstatement of a prior membership in a public retirement system;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (a) to remove the requirement that the application for reinstatement must be acknowledged by a notary public;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (e) to add clarity that members who have already retired, including those who have received a retirement benefit (such as a lump sum benefit) are not eligible for reinstatement;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (g)(4) to remove death as the earliest expiration date for a member to confirm intent to reinstate, as such an event would render any such reinstatement and/or eligibility for same moot, and to clarify that eligibility for reinstatement is the later of the expiration of 30 days from the notification of their eligibility for reinstatement or the date on which their retirement benefit is closed out;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.4 (a) to clarify that a reinstatement of a prior membership is irrevocable once it is completed, meaning that the member has paid for the reinstatement;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.4 (b)(2) to clarify that the member's obligations to make contributions shall cease as of the first day of the plan year in which the member is reinstated, rather than the year in which the application is made; be it therefore

RESOLVED, That, effective immediately, the following amendments to Section 5006 of the Rules and Regulations of the New York State Teachers' Retirement System be adopted and implemented, a copy of which is annexed hereto and made a part thereof of Appendix ___, page ___.

Annual Signatory Additions & Deletions

For Fiscal Year Ended June 30, 2026

Division	Name	Position	Warrant Signatory	Document Signatory
Administration	Rebecca Kannan	Deputy Executive	Deleted	Deleted
Executive	Kathy LaFond	Director	Not Applicable	Added
Executive	Han Yik	Executive	Not Applicable	Added
Fixed Income	Michael Federici	Executive	Deleted	Deleted
Fixed Income	Richa Dhungana	Professional Staff (Non-Management)	Added	Not Applicable
Internal Audit	Lei Zhang	Assistant Director	Not Applicable	Deleted
Member Relations	Beth Dellea	Executive	Not Applicable	Deleted
Office of the Actuary	Thomas King	Director	Deleted	Added
Office of the Actuary	Heather Marks	Director	Deleted	Added
Office of the Actuary	Richard Young	Executive	Deleted	Deleted
Office of the Actuary	Melody Prangley	Executive	Deleted	Added
Office of the Chief Financial Officer	Jason Gibson	Professional Staff (Non-Management)	Added	Not Applicable
Office of the Chief Financial Officer	Michelle Spoone	Professional Staff (Non-Management)	Added	Not Applicable
Office of the Chief Financial Officer	Katherine Hogan	Professional Staff (Non-Management)	Added	Not Applicable
Office of the Chief Financial Officer	Sharon Li	Professional Staff (Non-Management)	Added	Not Applicable
Office of the Chief Financial Officer	Melinda Fuller	Professional Staff (Non-Management)	Added	Not Applicable
Office of the Chief Financial Officer	Cameo Skarshinski	Professional Staff (Non-Management)	Added	Not Applicable
Private Equity	Nick Chladek	Deputy Executive	Added	Added
Private Equity	Joseph Holm	Director	Added	Added
Private Equity	Endurance Aku	Director	Added	Added
Private Equity	Ching Wong	Professional Staff (Non-Management)	Added	Not Applicable
Private Equity	Mark Nichols	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	David Tessitore	Director	Added	Added
Public Equities	Sandra Schaufler	Executive	Added	Added
Public Equities	Magdalena Schmitz	Assistant Director	Added	Added
Public Equities	David Tessitore	Director	Deleted	Deleted
Public Equities	Christina Christian	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	Paul Fitzpatrick	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	John Karukulathel	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	Derek Sam	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	JoAnn Nash	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	Daniel Hogan	Professional Staff (Non-Management)	Added	Not Applicable
Public Equities	Michael Murphy	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Shelby McCaffrey	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Christopher Brown	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Challena Gilbert	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Jennifer Kring	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Khushbu Chechani	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Lynnea Miller	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Rema Cavanaugh	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Jessica Borwhat	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Lily Digman	Professional Staff (Non-Management)	Added	Not Applicable
Real Estate	Cameron Tiernan	Professional Staff (Non-Management)	Added	Not Applicable

Legal & Financial Document Signatories

As of June 30, 2026

Name	Position	Division
Kathy LaFond	Director	Executive
Han Yik	Executive	Executive
Emily Ekland	Executive	Executive
Jason Freeman	Director	Executive
Heidi Brennan	Director	Executive
Timothy Mack	Assistant Director	Executive
Joseph Wood	Director	Fixed Income
Aaron VanDerwiel	Deputy Executive	Fixed Income
Jason Huett	Director	Information Technology
Lewis Makinson	Director	Information Technology
Vijay Madala	Executive	Information Technology
Sarah Garrand	Deputy Executive	Information Technology
Kathy Ebert	Executive	Internal Audit
Bruce Woolley	Deputy Executive	Internal Audit
Alexander Audino	Assistant Director	Member Relations
Susan Rossetti	Assistant Director	Member Relations
Michael Contento	Director	Member Relations
Erica Mortimore	Director	Member Relations
Shannon Bonesteel	Executive	Member Relations
Colleen Laven	Deputy Executive	Member Relations
Andrew Whitney	Director	Member Relations
Cori Bicteman	Assistant Director	Member Relations
Thomas King	Director	Office of the Actuary
Heather Marks	Director	Office of the Actuary
Melody Prangley	Executive	Office of the Actuary
Gwendolyn Genovesi	Assistant Director	Office of the Chief Financial Officer
Margaret Andriola	Executive	Office of the Chief Financial Officer
Christopher O'Grady	Deputy Executive	Office of the Chief Financial Officer
Christopher Brown	Deputy Executive	Office of the Chief Financial Officer
Tedd Johnson	Assistant Director	Office of the Chief Financial Officer
David Robertson	Director	Office of the Chief Financial Officer
Don Ampansiri	Executive	Office of the General Counsel
Benjamin Lee	Deputy Executive	Office of the General Counsel
Janet Graham	Deputy Executive	Office of the General Counsel
Adam Kinney	Managing Counsel	Office of the General Counsel
Morgan Anderson	Assistant/Associate Counsel	Office of the General Counsel
Nick Chladek	Deputy Executive	Private Equity
Joseph Holm	Director	Private Equity
Gerald Yahoudy	Executive	Private Equity
Brad Woolworth	Deputy Executive	Private Equity
Endurance Aku	Director	Private Equity
David Tessitore	Director	Public Equities
Sandra Schaufler	Executive	Public Equities
Magdalena Schmitz	Assistant Director	Public Equities
Binoop Unni	Deputy Executive	Public Equities

Name	Position	Division
Jennifer Wilcox	Director	Public Equities
Nathan Lee	Director	Public Equities
Amy Cramer	Assistant Director	Real Estate
David Maye	Assistant Director	Real Estate
David Gillan	Executive	Real Estate
Kevin Maloney	Deputy Executive	Real Estate
Michael Morrell	Deputy Executive	Real Estate
Adrean Kreig	Director	Real Estate
Jason Kearney	Director	Real Estate
Andrew Bartell	Director	Real Estate
Matthew Albano	Executive	Risk Management
Matthew Tice	Director	Risk Management
Danny Malavé	Executive	Team Engagement & Development

RESOLUTION IDENTIFYING FINANCIAL AND LEGAL DOCUMENT SIGNATORIES

WHEREAS, The Retirement Board has by resolution amended and restated the resolution of January 27, 2022 entitled Delegation Resolution - Financial and Legal Document Execution, providing for the delegation by the Executive Director and Chief Investment Officer of the authority to approve and execute financial and legal documents to other employees of the Retirement System; and

WHEREAS, The Retirement Board has by resolution adopted at its regular meeting on October 26, 1995, amended and restated periodically thereafter, and most recently on July 30, 2025, identifying those employees of the Retirement System that have been delegated such authority; and

WHEREAS, It is necessary to periodically update said resolution by identifying those employees of the Retirement System to whom such authority may be delegated; now therefore be it

RESOLVED, That the employees authorized to approve and execute financial and legal documents of said resolution are identified by department, management level within the organization and by name in the attachment entitled Financial & Legal Document Signatories, Appendix , page ; and be it

RESOLVED, the attachment entitled Financial & Legal Document Signatories sets forth the approvals and signatures needed to approve and execute financial and legal documents; and be it

RESOLVED, That this authorization shall remain in effect for individuals who are promoted within their department; and be it

RESOLVED, That the Executive Director and Chief Investment Officer shall have the authority to designate in writing any such additional employees as may be required by business necessity to serve on an interim basis until the regular meeting of the Retirement Board following the quarter ending June 30; and be it

RESOLVED, That this delegation shall be reviewed by the Retirement Board no less than annually; and be it further

RESOLVED, That this resolution shall take effect July 29, 2026 and, upon taking effect, shall supersede the identifying resolution previously adopted by the Retirement Board on July 30, 2025

Disbursement Warrant Signatories

As of June 30, 2026

Division	Name	Position	Warrant Group
Office of the General Counsel	Don Ampansiri	Executive	A
Office of the General Counsel	Benjamin Lee	Deputy Executive	A
Office of the General Counsel	Janet Graham	Deputy Executive	A
Office of the General Counsel	Adam Kinney	Managing Counsel	A
Office of the General Counsel	Morgan Anderson	Assistant/Associate Counsel	A
Risk Management	Matthew Albano	Executive	A
Risk Management	Matthew Tice	Director	A
Real Estate	Amy Cramer	Assistant Director	B
Real Estate	David Maye	Assistant Director	B
Real Estate	David Gillan	Executive	B
Real Estate	Kevin Maloney	Deputy Executive	B
Real Estate	Michael Morrell	Deputy Executive	B
Real Estate	Adrean Kreig	Director	B
Real Estate	Jason Kearney	Director	B
Real Estate	Andrew Bartell	Director	B
Real Estate	Shelby McCaffrey	Professional Staff (Non-Management)	B
Real Estate	Christopher Brown	Professional Staff (Non-Management)	B
Real Estate	Challena Gilbert	Professional Staff (Non-Management)	B
Real Estate	Jennifer Kring	Professional Staff (Non-Management)	B
Real Estate	Khushbu Chechani	Professional Staff (Non-Management)	B
Real Estate	Lynnea Miller	Professional Staff (Non-Management)	B
Real Estate	Rema Cavanaugh	Professional Staff (Non-Management)	B
Real Estate	Jessica Borwhat	Professional Staff (Non-Management)	B
Real Estate	Lily Digman	Professional Staff (Non-Management)	B
Real Estate	Cameron Tiernan	Professional Staff (Non-Management)	B
Fixed Income	Damola Yusuf	Professional Staff (Non-Management)	C
Fixed Income	Joseph Wood	Director	C
Fixed Income	Aaron VanDerwiel	Deputy Executive	C
Fixed Income	Dawn Sherman	Professional Staff (Non-Management)	C
Fixed Income	Mark Wood	Professional Staff (Non-Management)	C
Fixed Income	Michael Wollner	Professional Staff (Non-Management)	C
Fixed Income	Christina Vasto	Professional Staff (Non-Management)	C
Fixed Income	Richa Dhungana	Professional Staff (Non-Management)	C
Public Equities	David Tessitore	Director	D
Public Equities	Sandra Schaufler	Executive	D
Public Equities	Magdalena Schmitz	Assistant Director	D
Public Equities	Binoop Unni	Deputy Executive	D
Public Equities	Jennifer Wilcox	Director	D
Public Equities	Nathan Lee	Director	D
Public Equities	Christina Christian	Professional Staff (Non-Management)	D
Public Equities	Paul Fitzpatrick	Professional Staff (Non-Management)	D
Public Equities	John Karukulathel	Professional Staff (Non-Management)	D
Public Equities	Derek Sam	Professional Staff (Non-Management)	D
Public Equities	JoAnn Nash	Professional Staff (Non-Management)	D
Public Equities	Daniel Hogan	Professional Staff (Non-Management)	D
Public Equities	Michael Murphy	Professional Staff (Non-Management)	D
Private Equity	Nick Chladek	Deputy Executive	E
Private Equity	Joseph Holm	Director	E
Private Equity	Hope Bailey-Reed	Professional Staff (Non-Management)	E
Private Equity	Gerald Yahoudy	Executive	E

Division	Name	Position	Warrant Group
Private Equity	Brad Woolworth	Deputy Executive	E
Private Equity	Endurance Aku	Director	E
Private Equity	Ching Wong	Professional Staff (Non-Management)	E
Private Equity	Mark Nichols	Professional Staff (Non-Management)	E
Office of the Chief Financial Officer	Gwendolyn Genovesi	Assistant Director	F
Office of the Chief Financial Officer	Margaret Andriola	Executive	F
Office of the Chief Financial Officer	Christopher O'Grady	Deputy Executive	F
Office of the Chief Financial Officer	Christopher Brown	Deputy Executive	F
Office of the Chief Financial Officer	Tedd Johnson	Assistant Director	F
Office of the Chief Financial Officer	David Robertson	Director	F
Office of the Chief Financial Officer	Jason Gibson	Professional Staff (Non-Management)	F
Office of the Chief Financial Officer	Michelle Spoone	Professional Staff (Non-Management)	F
Office of the Chief Financial Officer	Katherine Hogan	Professional Staff (Non-Management)	F
Office of the Chief Financial Officer	Sharon Li	Professional Staff (Non-Management)	F
Office of the Chief Financial Officer	Melinda Fuller	Professional Staff (Non-Management)	F
Office of the Chief Financial Officer	Cameo Skarshinski	Professional Staff (Non-Management)	F

RESOLUTION IDENTIFYING WARRANT SIGNATORIES

WHEREAS, The Retirement Board has by resolution adopted at its regular meeting on October 26, 1995, amended and restated periodically thereafter, and most recently on July 30, 2025, and as further amended concurrent with this resolution, provided for the delegation by the Executive Director and Chief Investment Officer of the authority to execute warrants to other employees of the Retirement System; and

WHEREAS, It is necessary to implement said resolution by identifying those employees of the Retirement System to whom such authority may be delegated; be it

RESOLVED, That the signatories authorized to execute administrative, real estate investment, and fixed income, equity security and alternative investment warrants as provided in Parts II, III, IV, V and VI respectively of said resolution are identified by signatory group, organizational level within the organization and by name in the attached Disbursement Warrant Signatories, Appendix , page ; and be it further

RESOLVED, That this authorization shall remain in effect for individuals that are promoted within or move among the designated signatory groups, and be it further

RESOLVED, That the Executive Director and Chief Investment Officer shall have the authority to designate any such additional “A”, “B”, “C”, “D”, “E”, and “F” signatories as may be required by business necessity to serve on an interim basis until the regular meeting of the Retirement Board following the quarter ending June 30; and be it further

RESOLVED, That this delegation shall be reviewed by the Retirement Board no less than annually; and be it further

RESOLVED, That this resolution shall take effect July 29, 2026 and, upon taking effect, shall supersede the identifying resolution previously adopted on July 30, 2025.

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM

MEMORANDUM

TO: T. Lee

FROM: Office of the CFO / Finance Department

DATE: July 29, 2026

SUBJECT: Retirement Board Package

Attached are the System's annual financial statements and related schedules for the years ended June 30, 2026 and 2025.

The following is a list of the documents included:

1. Statements of Fiduciary Net Position (Unaudited)[1,2]
2. Statements of Changes in Fiduciary Net Position (Unaudited) [1,2]
3. Schedules of Income, Expenses and Changes in Fund Balance-Administrative Fund (Unaudited)

[1]Based on estimated 6/30/26 final quarter Real Estate and Private Equity values.
[2]Excludes current year amounts to be determined under GASB 68 for Net Pension Liability, Deferred In-flows of Resources, Deferred Out-flows of Resources, and Pension Expense.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
Statements of Fiduciary Net Position (Unaudited)
June 30, 2026 and 2025

Assets	**2026**	**2025**
Investments at fair value:		
Domestic equity	$ 56,451,419,362	$ 49,754,578,893
International equity	26,053,137,207	23,609,432,155
Global equity	7,748,345,590	6,805,717,478
Real estate equity [1]	15,903,870,524	15,813,618,303
Private equity [1]	15,346,166,006	14,797,201,824
Domestic fixed income	27,171,356,046	22,378,089,768
High-yield bonds	1,535,140,769	1,310,560,533
Global bonds	3,398,015,919	3,025,854,845
Real estate debt [1]	8,032,718,079	8,959,008,518
Private debt [1]	3,100,306,191	2,921,279,360
Cash equivalents	2,439,335,221	2,161,227,945
Total investments [1]	167,179,810,914	151,536,569,622
Receivables:		
Employer	1,885,599,292	1,988,542,025
Member	266,881,444	266,903,036
Investment income	495,591,897	435,976,877
Investment sales	123,508,802	423,251,961
Total receivables	2,771,581,435	3,114,673,899
Other assets:		
Securities lending collateral, invested	219,132,725	217,164,113
Member loans	291,010,538	288,665,009
Net investment in capital assets	39,895,768	27,102,225
Miscellaneous assets	14,653,922	24,208,229
Total other assets	564,692,953	557,139,576
Total assets [1]	170,516,085,302	155,208,383,097
Deferred outflows of resources:		
Changes in net OPEB liability	12,783,419	14,785,531
Changes in net pension liability [2]	7,990,733	7,990,733
Total deferred outflows of resources	20,774,152	22,776,264
Liabilities		
Securities lending collateral, due to borrowers	217,564,474	215,856,341
Investment purchases payable	230,654,319	537,863,447
Mortgage escrows and deposits, net of investments	1,750,000	35,000
Net OPEB liability	34,036,222	48,195,049
Other liabilities [2]	224,083,443	231,503,266
Total liabilities [2]	708,088,458	1,033,453,103
Deferred inflows of resources:		
Changes in net OPEB liability	14,865,451	4,037,200
Changes in net pension liability [2]	543,817	543,817
Total deferred inflows of resources	15,409,268	4,581,017
Net position restricted for pensions	**$ 169,813,361,728**	**$ 154,193,125,241**

[1] Based on estimated 6/30/26 final quarter Real Estate and Private Equity values

[2] Excludes current year amounts under GASB 68 for Net Pension Liability, Deferred In-Flows of Resources and Deferred Out-Flows of Resources.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
Statements of Changes in Fiduciary Net Position (Unaudited)
For the Years Ended June 30, 2026 and 2025

Additions:	**2026**	**2025**
Investment income:		
Net appreciation in fair value of investments [1]	$ 19,564,526,632	$ 12,125,166,477
Interest	1,398,865,079	1,292,650,799
Dividends	1,335,939,605	1,363,986,610
Real estate, net operating income	561,497,548	552,888,405
Securities lending, gross earnings	11,132,551	14,999,375
Other (net)	3,062,222	592,073
	22,875,023,637	15,350,283,739
Less: Investment expenses	456,628,182	444,056,054
Securities lending:		
Broker rebates	7,240,686	12,104,872
Management fees	529,717	415,921
(Appreciation) depreciation on collateral	(260,479)	211,836
Net investment income[1]	22,410,885,531	14,893,495,056
Contributions:		
Employer	1,894,077,757	1,997,403,593
Member	292,941,888	291,784,649
Transfers	89,376,148	(3,751,686)
Total contributions	2,276,395,793	2,285,436,556
Net additions[1]	24,687,281,324	17,178,931,612
Deductions:		
Retirement benefit payments, periodic	8,866,705,194	8,603,412,702
Beneficiary payments	74,714,256	86,886,635
Return of contributions	24,218,640	19,793,257
Administrative expenses [2]	101,406,747	97,148,557
Total deductions	9,067,044,837	8,807,241,151
Net increase in net position [1]	15,620,236,487	8,371,690,461
Net position restricted for pensions, beginning of year	154,193,125,241	145,821,434,780
Net position restricted for pensions, end of year	**$ 169,813,361,728**	**$ 154,193,125,241**

[1] Based on estimated 6/30/26 final quarter Real Estate and Private Equity values

[2] Excludes current year amounts to be determined under GASB 68 for Pension Expense

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
Administrative Fund
Schedules of Income, Expenses and Changes in Fund Balance (Unaudited)
Years Ended June 30, 2026 and 2025

Administrative Income:	**2026**	**2025**	**Increase (Decrease)**
Contributions from employers	$ 78,357,125	$ 78,395,143	$ (38,018)
Allocation of investment income	38,587,560	34,327,662	4,259,898
Loan delinquency charges	29,130	27,300	1,830
Loan service charges	313,260	332,640	(19,380)
Loan Insurance Expense	48,246	22,735	25,511
Other (net)	26,422	25,857	565
Total income	117,361,743	113,131,337	4,230,406
Administrative Expenses:			
Salaries and benefits:			
Salaries	51,850,076	50,540,416	1,309,660
Civil service	96,062	116,690	(20,628)
Employees' retirement	9,775,035	7,734,544	2,040,491
Health and dental insurance	9,544,975	8,554,819	990,156
OPEB contribution	6,236,000	6,804,000	(568,000)
Overtime salaries	163,617	143,327	20,290
Social Security	3,577,831	3,477,213	100,618
Total salaries and benefits	81,243,596	77,371,009	3,872,587
Building occupancy expenses:			
Building, grounds and equipment	1,708,500	2,008,267	(299,767)
Depreciation - building and improvement	1,665,034	1,729,010	(63,976)
Depreciation - equipment	29,994	308,986	(278,992)
Office supplies and expenses	231,589	197,755	33,834
Utilities and municipal assessments	1,253,849	1,109,265	144,584
Total building occupancy expenses	4,888,966	5,353,283	(464,317)
Computer expenses:			
Depreciation - computer micro	1,270,139	985,093	285,046
Amortization/Interest - SBITA	768,438	118,483	649,955
Computer hardware and software	7,238,956	5,856,270	1,382,686
Computer maintenance and supplies	—	—	—
Total computer expenses	9,277,533	6,959,846	2,317,687
Personnel and meeting expenses:			
Board - meetings, travel and education	89,175	61,628	27,547
Delegates' meeting	104,499	121,910	(17,411)
Pre-retirement seminars	116,821	87,637	29,184
Professional development	709,617	1,248,898	(539,281)
Meeting Expense	17,236	16,881	355
Travel	382,285	384,945	(2,660)
Other personnel expenses	142,681	249,984	(107,303)
Total personnel and meeting expenses	1,562,314	2,171,883	(609,569)

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
Administrative Fund
Schedules of Income, Expenses and Changes in Fund Balance (Unaudited) (Continued)

Years Ended June 30, 2026 and 2025

Professional and governmental services:	2026	2025	Increase (Decrease)
Auditors - financial	$ 546,360	397,700	$ 148,660
Auditors - insurance department	3,728	—	3,728
Medical examinations	69,173	84,849	(15,676)
Postage	1,120,559	1,022,947	97,612
Professional fees and services	1,362,406	1,479,976	(117,570)
Publications	245,253	280,673	(35,420)
Statutory custodian charges	162,500	151,250	11,250
Project Costs - Professional Fees	2,252,823	1,621,723	631,100
Total professional and governmental services	5,762,802	5,039,118	723,684
Total administrative expenses[1]	102,735,211	96,895,139	5,840,072
Net increase	14,626,532	16,236,198	(1,609,666)
Administrative fund balance, beginning of year	79,600,565	63,364,367	16,236,198
Administrative fund balance, end of year	$ 94,227,097	$ 79,600,565	$ 14,626,532

[1] Administrative expenses on the Statements of Changes in Fiduciary Net Position for the years ended June 30, 2026 and 2025 include a reconciliation of other postemployment contribution expense to OPEB expense and employees retirement contribution expense to pension expense for ($1,328,464) and $253,418, respectively.

New York State Teachers' Retirement System

Agenda

Quarterly Retirement Board Meeting July 29, 2026

Call to Order by President

Agenda pp. 391-392

B. Introduction of Visitors
C. Correspondence – none
D. Approval of Minutes of April 30, 2026 pp.393-401

Committee Reports & Action Items

A. Audit Committee
   1. Chair's report
B. Disability Review Committee
   1. Disability Denial Resolution (R1, p. 402)
   2. Disability Recission Resolution (R2, p. 403)
C. Ethics Committee
   1. Chair's report
D. Executive Committee
   1. Resolution Amending System Rules and Regulations Parts 5006 (R3, p. 404)
   2. Resolution Amending System Rules and Regulations Parts 5025 R4, pp. 405-406
   3. Resolution Identifying Financial & Legal Document Signatories (R5, p. 407)
   4. Resolution Identifying Warrant Signatories (R6, p. 408)
   5. Short Term Succession Plan EDCIO July 1, 2026 – June 30, 2027 pp. 409-411
E. Investment Committee
   1. **Consent Agenda Item 1A 1-9** pp. 412-420
      A. Renew Agreements:
         1. Advent Capital Management LLC (R7, p. 412)
         2. Baillie Gifford Overseas Limited (R8, p. 413)
         3. BlackRock Carbon Transition (R9, p. 414)
         4. Blue Owl Real Estate Debt Advisors (Successor-in-Interest to Prima Capital Advisors) (R10, p. 415)
         5. Dimensional Fund Advisors (R11, p. 416)
         6. Heitman (R12, p. 417)
         7. PIMCO (R13, p. 418)
         8. T. Rowe Associates, Inc. (R14, p. 419)
         9. William Blair and Company (R15, p. 420)
   2. Resolution on Investment Discretion (R16, p. 421)
   3. Resolution on Investment Policy Manual Updates – Statement of Investment Policy p. (R17, p. 422)
   4. Resolution on Asset Allocation (R18, p. 423)
   5. [redacted]
F. Risk Committee
   1. Chair's report

Staff Reports

A. Old Business
B. New Business
   1. Litigation Report – D. Ampansiri pp. 425-426
   2. Member Relations Update – S. Bonesteel
      a. Loan Board Report pp. 427-430
      b. Quality Assurance Update – A. Whitney and C. Furman pp. 431-439
   3. Actuarial Valuation Report – M. Prangley pp. 440-492
   4. Employer Contribution Rate Presentation – M. Prangley pp. 493-518
      a. Resolution on Employer Contribution Rate (R20, p. 519)
   5. Governance Update − H. Yik, M. Aguilar (motion for Executive Session pursuant to Open Meetings Law Section 105(1)(f) to discuss the financial history of a particular corporation, and Section 108 Exemptions to Open Meetings Law to discuss matters made confidential by federal or state law)

NEW YORK STATE
TEACHERS' RETIREMENT SYSTEM

BOARD MEETING
April 30, 2026

TABLE OF CONTENTS

Note: Disability Denial Resolution (R2) was pulled from agenda and not acted on

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
10 CORPORATE WOODS DRIVE ALBANY, NEW YORK

A MEETING OF THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM BOARD was held at the System on April 30, 2026. The meeting was called to order by President David Keefe at 9:00 a.m. President Keefe asked Jennifer Longtin to lead the group in the Pledge of Allegiance.

ATTENDANCE:

BOARD MEMBERS
Phyllis Harrington (via MS Teams), Eric Iberger, David Keefe, Scott Levy,
Donald A. Little III, Jennifer Longtin, Ruth Mahoney, Natalie McKay, Nicholas Smirensky, Mark Stratton

NYSTRS STAFF
Thomas K. Lee, Don Ampansiri, Kathy LaFond, Shannon Bonesteel, Margaret Andriola, Matt Albano, Sandra Schaufler, Aaron VanDerwiel, Gerald Yahoudy, Danny Malave, Melody Prangley, Kathy Ebert, Vijay Madala, Han Yik, Emily Ekland, Janet Graham, Colleen Laven

A. Introduction of Visitors

Visitor: Juliet Benaquisto

Visitors via MS Teams: Robert Steyer, Pensions & Investments; Pete Savage, NYSUT; Greg Berck, NYSCOSS; Thomas Cosmer, MetLife Inv Mgt/Pinebridge

B. Correspondence

Letter to the Board from Mary Michelfelder read by D. Keefe (Appendix A, p. 8)

C. Approval of January 29, 2026 Meeting Minutes

There being no additions or corrections to the January 29, 2026 Board meeting minutes, the minutes were approved with a motion made by D. Little, seconded by J. Longtin and unanimously carried.

Committee Reports/Action Items

A. Audit Committee

J. Longtin, Chair, reported that the Committee met on April 29, 2026 and heard consultant presentations and Internal Audit reports.

B. Compensation Committee

P. Harrington, Chair, reported that the Committee had met on April 30, 2026 in Executive Session to discuss personnel matters.

1. Resolution on Executive Compensation (R1)

E. Iberger offered the following resolution, seconded by M. Stratton and

unanimously carried by the Board:

> RESOLVED, That the report of the Compensation Committee regarding recommended action on Executive Compensation, a copy of which is annexed hereto as Appendix B, pp. 9-10, is authorized and approved.

C. Disability Committee

E. Iberger requested that the Board go into Executive Session pursuant to Section 105(1)(f) of the Open Meetings Law to discuss matters regarding the medical, financial, and employment history of a particular person. Upon motion of D. Little, seconded by J. Longtin and unanimously carried, the Board went into Executive Session at 9:05 a.m.

With unanimous consent, the Board came out of Executive Session at 9:33 a.m.

D. Ethics Committee

D. Little, acting Chair, reported that the Committee had met on April 29, 2026 and there were no issues with the ED&CIO quarterly disclosures.

E. Executive Committee

1. Resolution Approving Operating Budget Fiscal Year 2026-2027 (R3)

E. Iberger offered the following resolution, seconded by S. Levy

and unanimously carried by the Board:

> WHEREAS, System staff has presented to the Retirement Board a proposed Operating Budget for Fiscal Year 2026-2027, a copy of which is annexed hereto and made a part hereof as Appendix C, pp. 11-28, be it
>
> RESOLVED, That the Operating Budget for Fiscal Year 2026-2027 is approved as presented.

F. Investment Committee

1. Consent Agenda Items – item A (Appendix D, pp. 29-30)

N. Smirensky, Chair, asked the Board members if any of the consent agenda items should be moved to regular discussion items. Hearing no objections, the Board proceeded to move the Consent Agenda items (item A) with one motion.

Upon motion E. Iberger, seconded by R. Mahoney and unanimously carried, the following resolutions were moved and approved together as consent agenda items:

A. Renew Agreements

- Adelante Capital Management LLC (R5)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Adelante Capital Management, LLC**
NYSTRS Department:	Real Estate
Original Contract Date:	07/21/1998
Approved Renewal Period:	07/01/2026 – 06/30/2027
Mandate	
• Asset Class:	Real Estate Investment Trusts
• Account Benchmark	Wilshire U.S. REIT Index
• Active or Passive:	Active
• Account Inception Date:	08/01/1998

- Goldman Sachs Asset Mgt India Equity Strategy (R6)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Goldman Sachs Asset Management, LP**
NYSTRS Department:	Public Equities
Approved Renewal Period:	7/5/2026 – 7/4/2027
Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI India IMI
• Active or Passive:	Active

- JP Morgan Chase Bank NA (Securities Lending) (R7)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**JPMorgan Chase Bank, N.A.**
NYSTRS Department:	Fixed Income
Approved Renewal Period:	**7/1/2026 – 6/30/2026**
Mandate	
• Asset Class:	Securities Lending
• Account Benchmark:	N/A
• Active or Passive:	Active

- LSV Asset Management (R8)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**LSV Asset Management**
NYSTRS Department:	Public Equities
Approved Renewal Period:	7/25/2026 – 7/24/2027
Mandate 1	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active
Mandate 2	
• Asset Class:	Global Equities
• Account Benchmark:	MSCI ACWI Index
• Active or Passive:	Active

- Wellington Management Company (R9)

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Wellington Management Company, LLP**
NYSTRS Department:	Fixed Income
Approved Renewal Period:	**06/20/2026-06/19/2027**
Mandate	
• Asset Class:	Fixed Income – Global Bonds
• Account Benchmark:	Bloomberg Global Aggregate Float Adjusted Ex-CNY Bond Index Hedged to USD
• Active or Passive:	Active

G. Risk Committee

1. R. Mahoney, Chair, reported that the Committee had met April 29, 2026 and had heard an information security update, results of penetration testing and a personnel update in Executive Session. In open session, the Committee heard compliance and investment risk updates.

2. Resolution Accepting Changes to Business Continuity Plan 2026 (R4)

J. Longtin offered the following resolution, seconded by D. Little

and unanimously carried by the Board:

RESOLVED, That the Business Continuity Plan, as presented to the Retirement Board reflecting changes through January 2026 is approved and accepted.

Staff Reports

A. Old Business

None.

B. New Business

1. Transfer of Unclaimed Accounts

A copy of the memo which details unclaimed and abandoned accounts and a report of unclaimed accounts is attached as Appendix E, pp. 31-46.

2. Litigation Report

D. Ampansiri discussed the Litigation report, a copy of which is annexed

hereto and made a part hereof as Appendix F, p. 47-48.

3. Member Relations Update

S. Bonesteel and D. Ampansiri requested that the Board go into Executive Session pursuant to Section 105(1)(f) of the Open Meetings Law to discuss matters relating to the personal, financial or employment history of a particular person or corporation. Upon motion of D. Little, seconded by J. Longtin and unanimously carried, the Board went into Executive Session at 9:42 a.m.

With unanimous consent, the Board came out of Executive Session at 10:16 a.m.

There being no further business and with unanimous consent, the meeting adjourned at 10:20 a.m.

Respectfully submitted,

[redacted]

Thomas K. Lee

Board Meeting July 29, 2026

DISABILITY DENIAL RESOLUTION
TIER 4

WHEREAS, after reviewing the medical information submitted in connection with the following member, the Medical Board has determined the member is not incapacitated for the performance of gainful employment and has recommended the member's application be denied, be it

RESOLVED, That the application for retirement on account of disability submitted by the following member be denied as recommended by the Medical Board:

[redacted]

Board Meeting July 29, 2026

DISABILITY RESCISSION RESOLUTION
TIER 4

WHEREAS, After reviewing the physician's report of the following annuitants who have retired for disability, the Medical Board believes they are improved and no longer incapacitated for the performance of all gainful employment, and recommended they be restored to active membership, therefore, be it

RESOLVED, That upon recommendation of the Medical Board, the action taken in retiring the following members for disability be rescinded and they be restored to active membership on the date indicated:

EmplID	Date Retired	Date Restored
[redacted]	04/08/2024	05/14/2026
[redacted]	11/10/2021	07/09/2026

Board Meeting July 29, 2026

RESOLUTION AMENDING THE SYSTEM'S RULES AND REGULATIONS

Part 5006 – Cessation of Membership

WHEREAS, Part 5006 of the System's Rules and Regulations governs the provisions relating to cessation of membership;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.1, provisions (c) and (d) to add definitions of "Cancellation" and "Cessation" as new provisions (c) and (d) respectively;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.2 (a) and (b) to remove the term "cancelled/cancellation" and replace it with the term "ceased/cessation";

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5006.2 (d) and (e) to clarify the minimum number of days of service required for membership, certain mechanics for determining cessation, and replace the term "cancelled" with the term "ceased"; be it therefore

RESOLVED, That, effective immediately, the following amendments to Section 5006 of the Rules and Regulations of the New York State Teachers' Retirement System be adopted and implemented, a copy of which is annexed hereto and made a part thereof of Appendix ___, page ___.

Board Meeting July 29, 2026

RESOLUTION AMENDING THE SYSTEM'S RULES AND REGULATIONS

Part 5025 – Reinstatement of a Prior Membership in a Public Retirement System

WHEREAS, Part 5025 of the System's Rules and Regulations governs the provisions relating to reinstatement of a prior membership in a public retirement system;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (a) to remove the requirement that the application for reinstatement must be acknowledged by a notary public;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (e) to add clarity that members who have already retired, including those who have received a retirement benefit (such as a lump sum benefit) are not eligible for reinstatement;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.3 (g)(4) to remove death as the earliest expiration date for a member to confirm intent to reinstate, as such an event would render any such reinstatement and/or eligibility for same moot, and to clarify that eligibility for reinstatement is the later of the expiration of 30 days from the notification of their eligibility for reinstatement or the date on which their retirement benefit is closed out;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.4 (a) to clarify that a reinstatement of a prior membership is irrevocable once it is completed, meaning that the member has paid for the reinstatement;

WHEREAS, Staff recommends amendments to the System's Rules and Regulations Section 5025.4 (b)(2) to clarify that the member's obligations to make contributions shall cease as of the first day of the plan year in which the member is reinstated, rather than the year in which the application is made; be it therefore

RESOLVED, That, effective immediately, the following amendments to Section 5006 of the Rules and Regulations of the New York State Teachers' Retirement System be adopted and implemented, a copy of which is annexed hereto and made a part thereof of Appendix ___, page ___.

Board Meeting July 29, 2026

RESOLUTION IDENTIFYING FINANCIAL AND LEGAL DOCUMENT SIGNATORIES

WHEREAS, The Retirement Board has by resolution amended and restated the resolution of January 27, 2022 entitled Delegation Resolution - Financial and Legal Document Execution, providing for the delegation by the Executive Director and Chief Investment Officer of the authority to approve and execute financial and legal documents to other employees of the Retirement System; and

WHEREAS, The Retirement Board has by resolution adopted at its regular meeting on October 26, 1995, amended and restated periodically thereafter, and most recently on July 30, 2025, identifying those employees of the Retirement System that have been delegated such authority; and

WHEREAS, It is necessary to periodically update said resolution by identifying those employees of the Retirement System to whom such authority may be delegated; now therefore be it

RESOLVED, That the employees authorized to approve and execute financial and legal documents of said resolution are identified by department, management level within the organization and by name in the attachment entitled Financial & Legal Document Signatories, Appendix , page ; and be it

RESOLVED, the attachment entitled Financial & Legal Document Signatories sets forth the approvals and signatures needed to approve and execute financial and legal documents; and be it

RESOLVED, That this authorization shall remain in effect for individuals who are promoted within their department; and be it

RESOLVED, That the Executive Director and Chief Investment Officer shall have the authority to designate in writing any such additional employees as may be required by business necessity to serve on an interim basis until the regular meeting of the Retirement Board following the quarter ending June 30; and be it

RESOLVED, That this delegation shall be reviewed by the Retirement Board no less than annually; and be it further

RESOLVED, That this resolution shall take effect July 29, 2026 and, upon taking effect, shall supersede the identifying resolution previously adopted by the Retirement Board on July 30, 2025

RESOLUTION IDENTIFYING WARRANT SIGNATORIES

WHEREAS, The Retirement Board has by resolution adopted at its regular meeting on October 26, 1995, amended and restated periodically thereafter, and most recently on July 30, 2025, and as further amended concurrent with this resolution, provided for the delegation by the Executive Director and Chief Investment Officer of the authority to execute warrants to other employees of the Retirement System; and

WHEREAS, It is necessary to implement said resolution by identifying those employees of the Retirement System to whom such authority may be delegated; be it

RESOLVED, That the signatories authorized to execute administrative, real estate investment, and fixed income, equity security and alternative investment warrants as provided in Parts II, III, IV, V and VI respectively of said resolution are identified by signatory group, organizational level within the organization and by name in the attached Disbursement Warrant Signatories, Appendix , page ; and be it further

RESOLVED, That this authorization shall remain in effect for individuals that are promoted within or move among the designated signatory groups, and be it further

RESOLVED, That the Executive Director and Chief Investment Officer shall have the authority to designate any such additional “A”, “B”, “C”, “D”, “E”, and “F” signatories as may be required by business necessity to serve on an interim basis until the regular meeting of the Retirement Board following the quarter ending June 30; and be it further

RESOLVED, That this delegation shall be reviewed by the Retirement Board no less than annually; and be it further

RESOLVED, That this resolution shall take effect July 29, 2026 and, upon taking effect, shall supersede the identifying resolution previously adopted on July 30, 2025.

New York State Teachers' Retirement System
nystrs.org

Annual Executive Director & Chief Investment Officer Short Term Succession Plan

Pursuant to Section 13 of the ED&CIO Charter, and as further set forth in the Short Term ED&CIO Succession Plan, I, Thomas K Lee, hereby name the following members of the executive staff to assume my duties in the event of an emergency where I cannot be reached, or in the event of a temporary incapacitation preventing me from fulfilling my responsibilities. The individuals designated below will assume respective ED and CIO responsibilities as indicated on the attached schedule A.

ED Responsibilities

Primary: Margaret Andriola
Backup: Gerald Yahoudy

CIO Responsibilities

Primary: Dave Gillan
Backup: Sandra Schaufler

These designations will remain in effect from July 1, 2026 - June 30, 2027, unless alternative names are submitted to the Board prior to the end of this period.

[redacted]
Thomas K. Lee

4/8/26
Date

Schedule A

Charter for the Executive Director/Chief Investment Officer

Purpose and Responsibilities: The Executive Director/Chief Investment Officer is the chief executive officer of the System. The Executive Director/Chief Investment Officer has the following primary responsibilities:

1. Oversee the orderly and efficient operation of the System and ensure the System's business is conducted in accordance with applicable law and the System's Bylaws, Rules and Regulations, and established policies and procedures. **[ED]**

2. Oversee the preparation of the System's budget and presentation to the Retirement Board. **[ED]**

3. Oversee the Actuary's calculation of the employer contribution rate and recommendations for any changes in actuarial factors submitted to the Retirement Board for its approval. **[ED]**

4. Develop and recommend to the Retirement Board necessary investment policies and procedures and assure timely and proper implementation of policies and procedures approved by the Retirement Board. **[CIO]**

5. Oversee the investment of System assets in accordance with the directions and policies established by the Retirement Board, and monitor and report to the Retirement Board on the activities and performance of the System's internally managed investment portfolios and third-party investment managers. **[CIO]**

6. Oversee the administration and payment of System benefits and report to the Retirement Board on the significant activities of benefits staff. **[ED]**

7. Ensure an effective system of internal control is in place for financial reporting and risk management and oversee the work of the System's internal audit staff and external independent auditor. **[ED/CIO]**

8. Serve as the System's primary representative to constituent groups, industry organizations and all other interested parties and stakeholders. **[ED/CIO]**

9. Oversee the preparation and submission of the System's legislative program, the preparation of any necessary changes to the System's Rules and Regulations recommended for approval by the Retirement Board, and reporting on any litigation to which the System is a party. **[ED/CIO]**

10. Serve on the Ethics Committee of the Retirement Board. **[ED]**

11. Be available to discuss matters of importance with the Retirement Board and its Committees, and ensure the Board is informed regarding any matter of importance to the System. **[ED/CIO]**

12. Provide reports for the Retirement Board regarding succession planning, actual or impending vacancies among executive staff positions, evaluations of the executive staff, and status of the employee contract negotiations. **[ED/CIO]**

13. Ensure continuity of services by naming one or more executives to temporarily assume the Executive Director's duties in the event the Executive Director cannot be reached during an emergency or becomes temporarily incapacitated. If more than one executive is named, the specific responsibilities assigned to each executive will be clearly defined. **[ED]**

14. Coordinate the scheduling of meetings of the Retirement Board and Retirement Board Committees; coordinate the preparation of meeting agendas and the assembly of all documentation and presentations for such meetings; and cause minutes to be taken of all such meetings. **[ED]**

15. Perform such other duties as may be assigned by the Retirement Board. **[ED/CIO]**

The Board may, by resolution, authorize the Executive Director/Chief Investment Officer to delegate any or all of his/her duties.

(Source: NYSTRS Bylaws)

RESOLUTION RENEWING

Advent Capital Management, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Advent Capital Management, LLC**
NYSTRS Department:	Fixed Income
Original Contract Date:	September 10th, 2024
Approved Renewal Period:	**09/10/2026-09/09/2027**

Mandate	
• Asset Class:	Fixed Income – High Yield
• Account Benchmark:	ICE B of A US High Yield Constrained Index (HUC0)
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION ON BAILLIE GIFFORD OVERSEAS LIMITED

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Baillie Gifford Overseas Limited**
NYSTRS Department:	Public Equities
Approved Renewal Period:	9/15/2026 – 9/14/2027

Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active

RESOLUTION RENEWING

BlackRock Financial Management, Inc.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**BlackRock Financial Management, Inc.**
NYSTRS Department:	Fixed Income
Original Contract Date:	October 6th, 2023
Approved Renewal Period:	**10/06/2026-10/05/2027**

Mandate	
• Asset Class:	Fixed Income – Global Bonds – Carbon Transition
• Account Benchmark:	Bloomberg Global Aggregate Corporate Bond Index (in USD hedged to USD) (H03435US)
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION RENEWING BLUE OWL REAL ESTATE DEBT ADVISORS

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Blue Owl Real Estate Debt Advisors**
NYSTRS Department:	Real Estate
Approved Renewal Period:	8/13/2026 – 8/12/2027

Mandate	
• Asset Class:	Commercial Mortgage-Backed Securities, Private Debt Investments
• Account Benchmark	Public: Bloomberg US CMBS 2.0+75bps Private: GL Crossover Tranche
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION RENEWING DIMENSIONAL FUND ADVISORS, L.P.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Dimensional Fund Advisors, L.P.**
NYSTRS Department:	Real Estate
Approved Renewal Period:	9/22/2026 – 9/21/2027

Mandate	
• Asset Class:	Global Real Estate Investment Trusts
• Account Benchmark	FTSE EPRA Nareit Developed TR
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION RENEWING HEITMAN, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Heitman, LLC**
NYSTRS Department:	Real Estate
Approved Renewal Period:	8/07/2026 – 8/06/2027

Mandate	
• Asset Class:	Global Real Estate Investment Trusts
• Account Benchmark	FTSE EPRA Nareit Developed TR
• Active or Passive:	Active

RESOLUTION RENEWING

Pacific Investment Management Company LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**Pacific Investment Management Company LLC (PIMCO)**
NYSTRS Department:	Fixed Income
Original Contract Date:	October 6th, 2023
Approved Renewal Period:	**10/6/2026-10/5/2027**

Mandate	
• Asset Class:	Fixed Income – Global Bonds – Carbon Transition
• Account Benchmark:	Bloomberg Global Aggregate Corporate Bond Index (in USD hedged to USD) (H03435US)
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION ON T. ROWE PRICE ASSOCIATES, INC.

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**T. Rowe Price Associates, Inc.**
NYSTRS Department:	Public Equities
Approved Renewal Period:	10/30/2026 – 10/29/2027

Mandate	
• Asset Class:	Domestic Equities
• Account Benchmark:	S&P 500 Index
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION ON WILLIAM BLAIR INVESTMENT MANAGEMENT, LLC

RESOLVED, That the Executive Director and Chief Investment Officer, or designee, is authorized to renew the following external investment manager mandate for one year:

Investment Manager:	**William Blair Investment Management,**
NYSTRS Department:	Public Equities
Approved Renewal Period:	9/22/2026 – 9/21/2027

Mandate	
• Asset Class:	International Equities
• Account Benchmark:	MSCI ACWI exUS Index
• Active or Passive:	Active

Board Meeting July 29, 2026

RESOLUTION ON INVESTMENT DISCRETION

WHEREAS, The Retirement Board approved the delegations of investment authority set forth in the section of the Investment Policy Manual entitled "Delegation of Investment Authority" at its October 2025 meeting; and

WHEREAS, Said section shall be subject to annual review and renewal at the regular meeting of the Retirement Board in July of each calendar year; be it

RESOLVED, That the delegations of investment authority set forth in said section of the Investment Policy Manual are reauthorized and reconfirmed as the principal items of investment authority delegated to the Executive Director and Chief Investment Officer.

Board Meeting July 29, 2026

RESOLUTION ON INVESTMENT POLICY MANUAL UPDATE

Statement of Investment Policy

RESOLVED, That the following amendments to the Investment Policy Manual, Statement of Investment Policy, as presented to and reviewed by the Retirement Board, are approved and accepted:

- Section VI. Asset Allocation Policy - Simplifies the Public Equities provisions for consistency with other asset classes, and removes the Public Equities active/passive constraints; and
- Section VIII. Use of Derivatives & Other Instruments-- Adds a new provision to permit use of ETFs, index futures and TRS for Public Equities portfolios for cash equitization and risk/portfolio management purposes; and be it further

RESOLVED, That the Executive Director and Chief Investment Officer is authorized to take such other actions as may be necessary or required to implement the foregoing resolution.

ASSET ALLOCATION RESOLUTION

WHEREAS, the New York State Teachers' Retirement System (the "**System**") maintains a strategic target asset allocation (the "**Target Allocation**") designed to ensure prudent diversification, appropriate levels of expected return and risk, and long-term funding stability for the System; and

WHEREAS, the Retirement Board has reviewed the asset class structure and the long-term objectives of the System and has determined that a gradual de-risking of the System portfolio is prudent and in the best interest of System members and beneficiaries; and

WHEREAS, the Retirement Board has reviewed the following glide path (the "**Glide Path**"), which provides a five-year de-risking path:

Asset Class	**Current Target**	**Current Range**	**Glide Path (Changes to Target)**					**Ending Target**	**Ending Range**
			Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**		
Domestic Equity	33%	29-37%	-0.5%	-0.5%	-0.5%	-0.5%		31%	27-35%
International Equity	15%	11-19%	-0.5%	-0.5%	-0.5%	-0.5%	-1%	12%	8-16%
Global Equity	4%	0-8%						4%	0-8%
Real Estate Equity	11%	6-16%						11%	6-16%
Private Equity	9%	4-14%						9%	4-14%
Total Equity:	**72%**							**67%**	
Domestic Fixed Income	16%	12-20%		+1%	+1%	+1%	+1%	20%	16-24%
Real Estate Debt	6%	2-10%						6%	2-10%
Private Debt	2%	0.5-5%						2%	0.5-5%
Global Bonds	2%	0-4%						2%	0-4%
High Yield Bonds	1%	0-3%						1%	0-3%
Cash Equivalents	1%	0-4%	+1%					2%	0-5%
Total Debt:	**28%**							**33%**	

(Ranges will adjust concurrently alongside changes to the Targets.)

NOW, THEREFORE, BE IT RESOLVED, that the Retirement Board hereby approves and adopts the Glide Path, and authorizes the adjustment of the Target Allocation in accordance with the schedule and asset-class weightings set forth in the Glide Path; and

BE IT FURTHER RESOLVED, that the Executive Director and Chief Investment Officer is authorized and directed to implement the changes to the Target Allocation in phased increments consistent with the Glide Path, and to take all actions necessary or appropriate to effectuate such implementation.

[redacted]

[redacted]

[redacted]

New York State Teachers' Retirement System

To: Retirement Board
From: D. Ampansiri, Jr./ J. Graham
CC: T. Lee
Date: July 20, 2026
Re: Status of System Litigation as of July 20, 2026

UPDATE ON PENDING LAWSUITS SINCE THE LAST REPORT

Teresa Lester, f/k/a Teresa Miller, f/k/a Teresa Erskine v. New York State Teachers' Retirement System
Action commenced: 12/4/2025

CURRENT STATUS: NYSTRS secured representation from the NYS Attorney General's office and responded to the petition. We are awaiting the Court's decision in the matter.

Summary of the case/background information:

Petitioner, a Tier 4 member, challenged the System's denial of her application for prior service. Petitioner contends the final determination was irrational because Petitioner's documentation supports a finding that said documentation verifies her prior employment at a New York state public employer thereby making her eligible to purchase prior service credit to enhance her retirement benefit.

Petitioner claims to have worked at SUNY Binghamton as a lab technician assistant during the time period 1987-1990. SUNY Binghamton could not locate any employment records in their payroll records or W-2 tax documents. The Office of the State Comptroller was also unable to locate any records of her employment in the Bureau of State Payroll Services. Petitioner contacted the Social Security Administration (SSA) for records from the period 1986 - 1991 and they provided her with a statement that showed no earnings from the lab technician assistant position. Petitioner then obtained an itemized statement of earnings from SSA reflecting 3 payments from the state of New York however there were no taxes withheld from the payments and no record confirming these payments were for public employment with the state of New York. NYSTRS determined that the documentation submitted was insufficient proof of prior service because the documentation merely provided proof of a payment made by the state of New York but did not provide any nexus or proof that it was paid to her for public employment.

Heather Williams v. The Board of Education, Ithaca City School District; Ithaca City School District; Luvelle Brown, in his official capacity as Superintendent for Ithaca City School District; the New York State and Local Retirement System; and the New York State Teachers' Retirement System, Inc.
Action commenced: 2/2/2026

CURRENT STATUS: NYSLRS sent Petitioner a determination letter informing her that her title was reportable to that system and giving the member 30 days to file a request to transfer her NYSTRS membership to NYSLRS. Petitioner has filed for transfer-out and the transfer is in process.

Summary of the case/background information:

Petitioner is challenging her termination from her former position of District Coordinator of Facilities for the Ithaca City School District (the "District"). Petitioner further challenges the District's failure to enroll her in the correct retirement system. Petitioner is challenging NYSTRS' determination that a Director of Facilities is not reportable to this system.

Petitioner is a tier 4 member of NYSTRS with a date of membership of February 2, 1993. Petitioner was last reported to NYSTRS in the 2021-2022 school year. Petitioner moved to the Director of Facilities position in July 2022 which is not reportable to NYSTRS. The District established a membership at NYSLRS but Petitioner did not want to switch retirement systems and through some error the district didn't report her anywhere for 2022/23, 2023/24 and 2024/25. NYSLRS reestablished the membership retroactive back to July 2022 as a tier 6. NYSLRS confirmed that they will accept a transfer from NYSTRS which would allow her to combine the 2 memberships in a tier 4 plan. The Attorney General's office is representing NYSTRS in this action.

LAWSUITS COMMENCED SINCE LAST REPORT

None

Memo

To:	**T. Lee**
From:	**C. Laven**
CC:	S. Bonesteel
Date:	July 30, 2026
Re:	Member & Employer Services Materials for the July 30, 2026, Retirement Board Meeting

I have attached the summary of Member loan information for the July 30, 2026, Retirement Board meeting.

If you need any further information, please let me know.

[redacted]

Colleen Laven, Deputy Chief Customer Officer

Member Relations

New York State Teachers' Retirement System

MEMORANDUM

TO: Retirement Board

FROM: Thomas K. Lee

SUBJECT: Member Loans

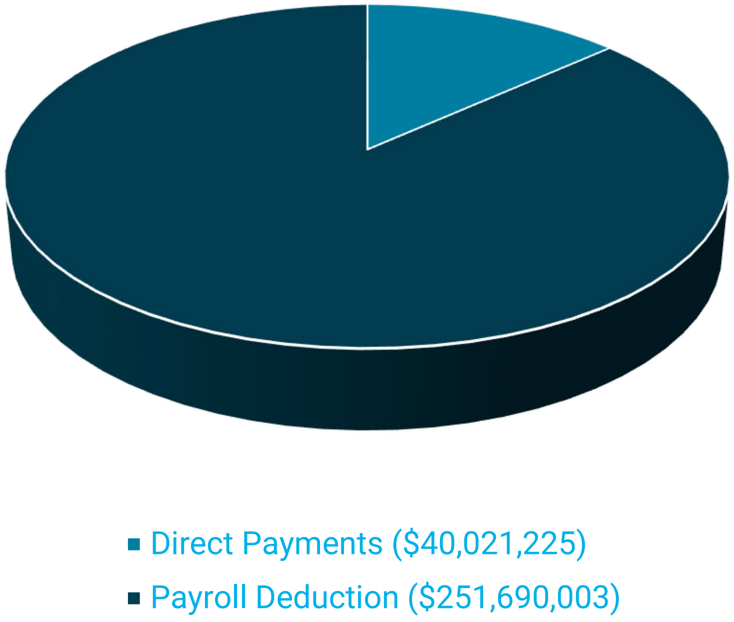
DATE: July 30, 2026

Total Loans Outstanding	**June 30, 2026**	**June 30, 2025**	**Increase(Decrease)**
Direct Payments	3,031	3,001	30
Payroll Deductions	19,622	19,534	88
Total	**22,653**	**22,535**	**118**
Direct Payments	$ 40,021,225	$ 38,563,425	$1,457,800
Payroll Deductions	251,690,003	250,661,977	1,028,026
Total	**$291,711,228**	**$289,225,402**	**$2,485,826**

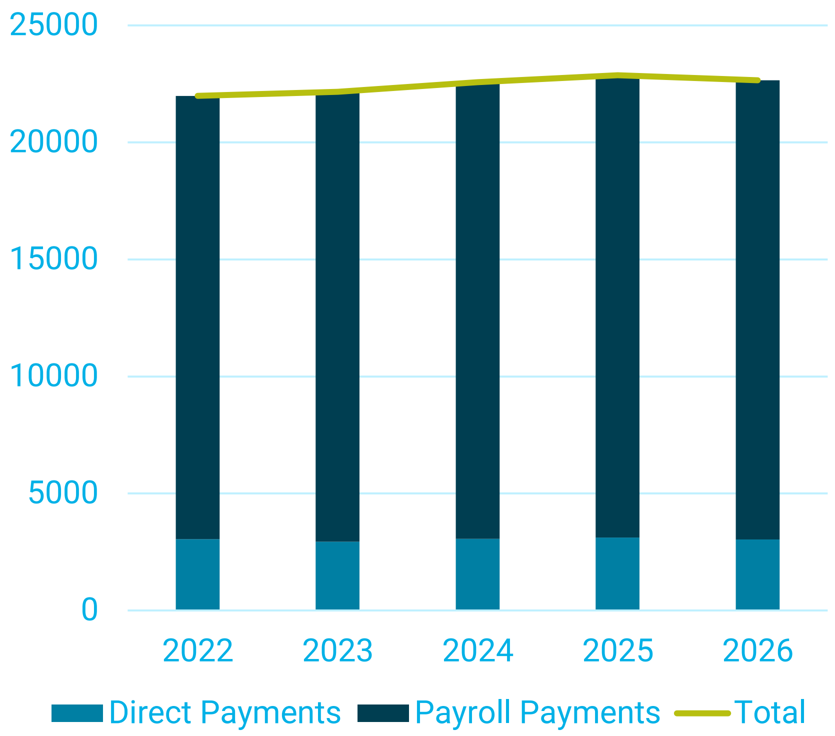
Delinquent Loans	**No.**	**%**	**No.**	**%**
One Month	69	0.3	64	0.3
Two Months	43	0.2	58	0.3
Three Months	42	0.2	41	0.2
Default to Payroll	215	0.9	174	0.8
Nonperforming Loan	2,895	12.8	2,806	12.5
Total	**3,264**	**14.4**	**3,143**	**14.1**

Loans Issued Annually	**June 30, 2026**	**June 30, 2025**	**Increase(Decrease)**
Direct Payments	269	279	(10)
Payroll Deductions	10,293	10,891	(598)
Total	**10,562**	**11,170**	**(608)**
Direct Payments	$ 2,446,475	$ 2,666,471	($ 219,996)
Payroll Deductions	96,662,122	100,853,132	(4,191,010)
Total	**$99,108,597**	**$103,519,603**	**($4,411,006)**

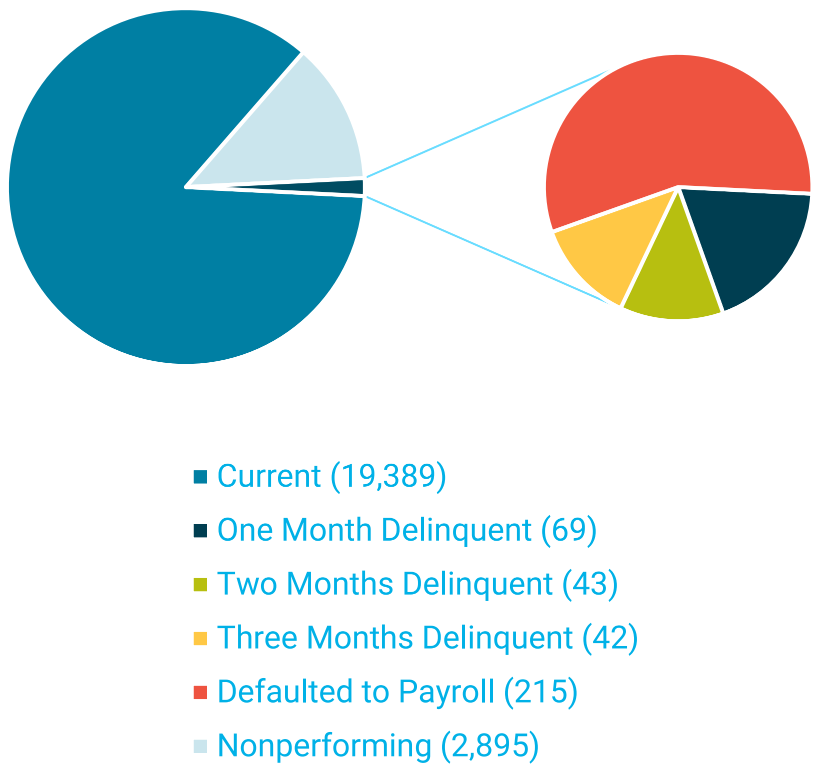
Member Loans Outstanding as of 6/30/2026 ($291,711,228)



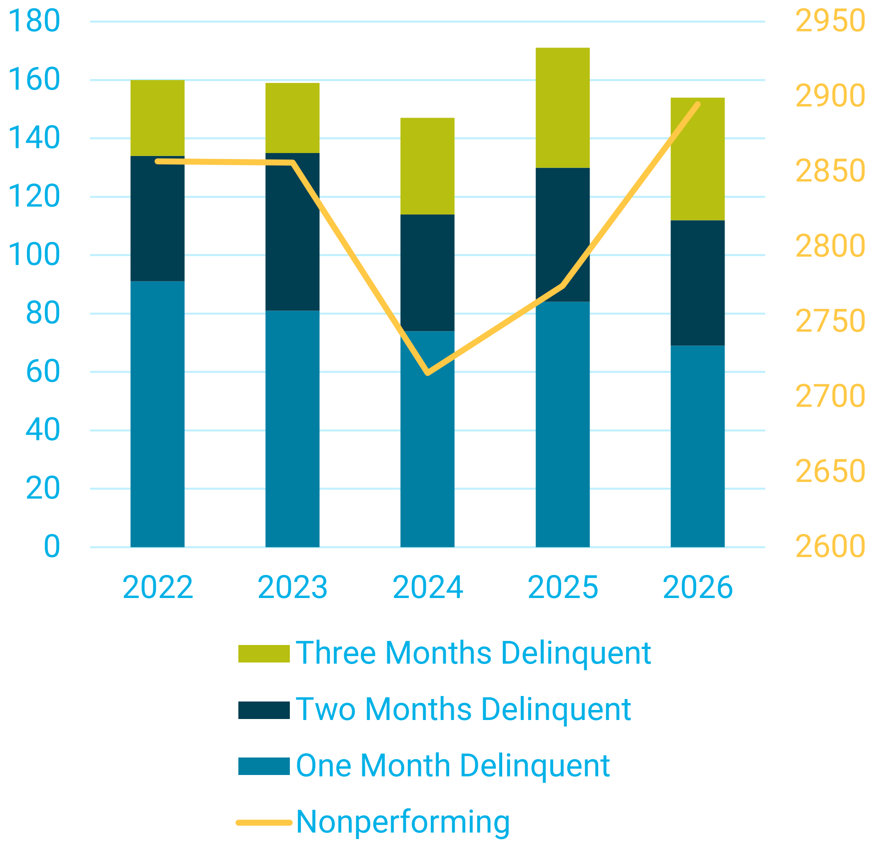
Member Loans Outstanding 2022-2026



Member Loan Repayment Status as of 7/30/2026



Delinquent Member Loans 2022-2026



Quality Assurance & Support (QAS) Update

Board presentation July 2026

Agenda

- What's new in QAS
- Results of QAS Service Retirement Monthly Review
- Items reported to NYS Department of Financial Services (DFS)

QAS Accomplishments

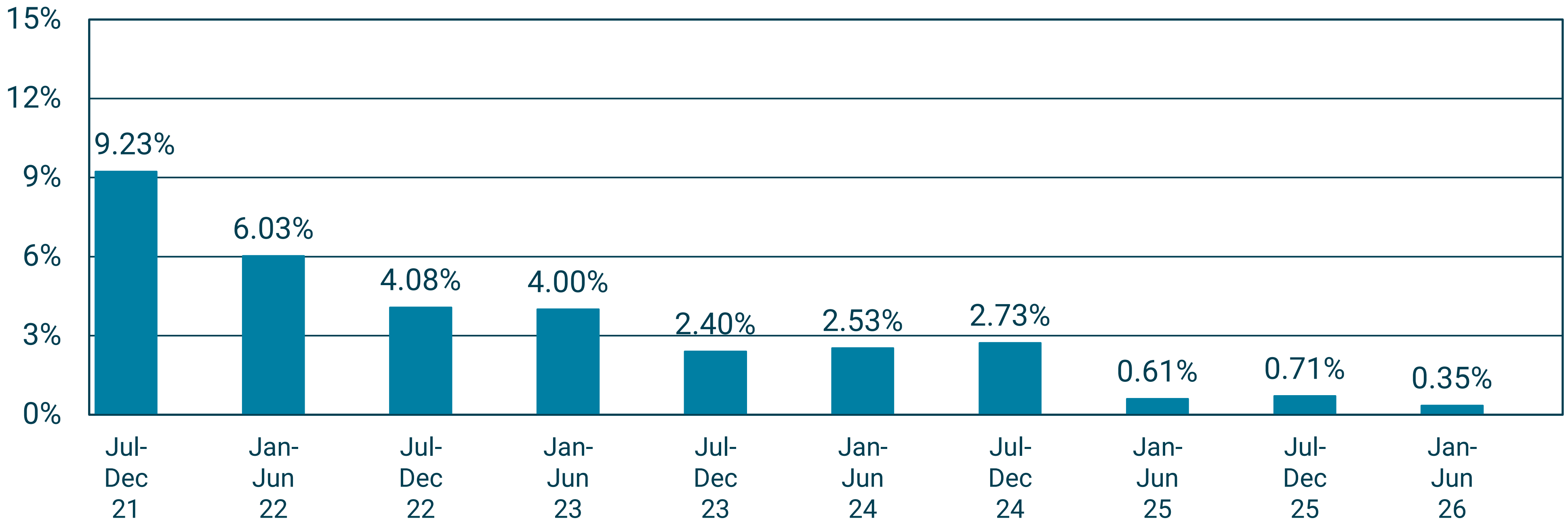
- Documentation and Training (D&T) held 51 trainings and posted seven Knowledge Articles.
- Quality Assurance (QA) has been reviewing members with part-time service credit and members retiring with prior service.
- QA is reviewing every Active Death Benefit payment prior to issuance (January 2026).
- QA completed reviews of 708 service retirement closeout files.

QAS Service Retirement Monthly Review

Review a total of 10% of final service retirement benefits created in a month:

- ❑ High risk areas discussed with management from Member Benefits
  - ✓ 100% of Tier 1 members
  - ✓ 100% of Lump-sum distributions
  - ✓ After training period for new staff to ensure understanding of the process to create a benefit
- ❑ Random sample

Percentage of Completed Files Resulting in Revision, Change in Benefits*



	Jul-Dec 23	Jan-Jun 24	Jul-Dec 24	Jan-Jun 25	Jul-Dec 25	Jan-Jun 26
Service Retirement Closeouts	3,105	2,825	2,940	2,690	3,490	2,561
Selected for QAS Review	416	475	443	330	426	296
Percent QAS Review Complete	100%	100%	99.32%	100%	99.30%	96.96%
Revised, Change in Benefit	10	12	12	2	3	1

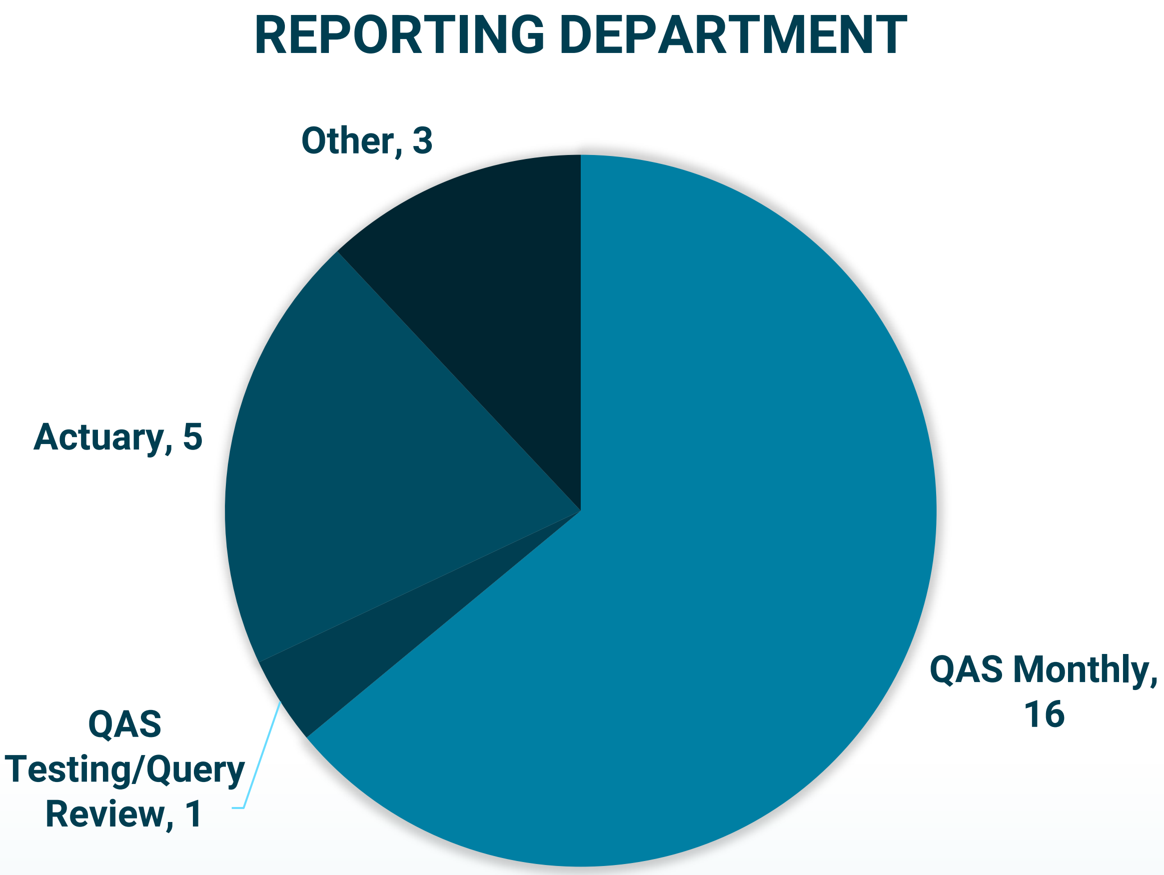
*As of June 30, 2026

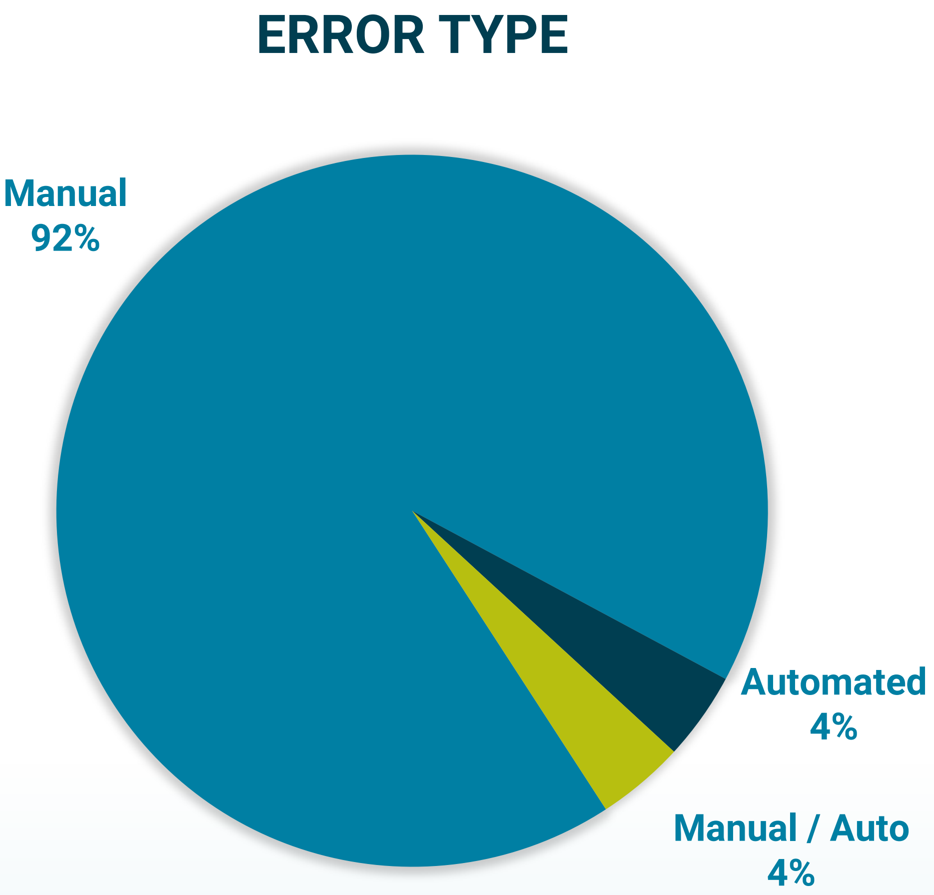
Items Reported to DFS October 2024 – June 2026

Administrative error – An error by the System (either manual or automated) that requires revision to a finalized benefit payment. This would not include revisions to estimated benefits, errors or revisions made by participating employers, members or other parties.

April 2025	12
December 2025	10
July 2026	3
Total	25

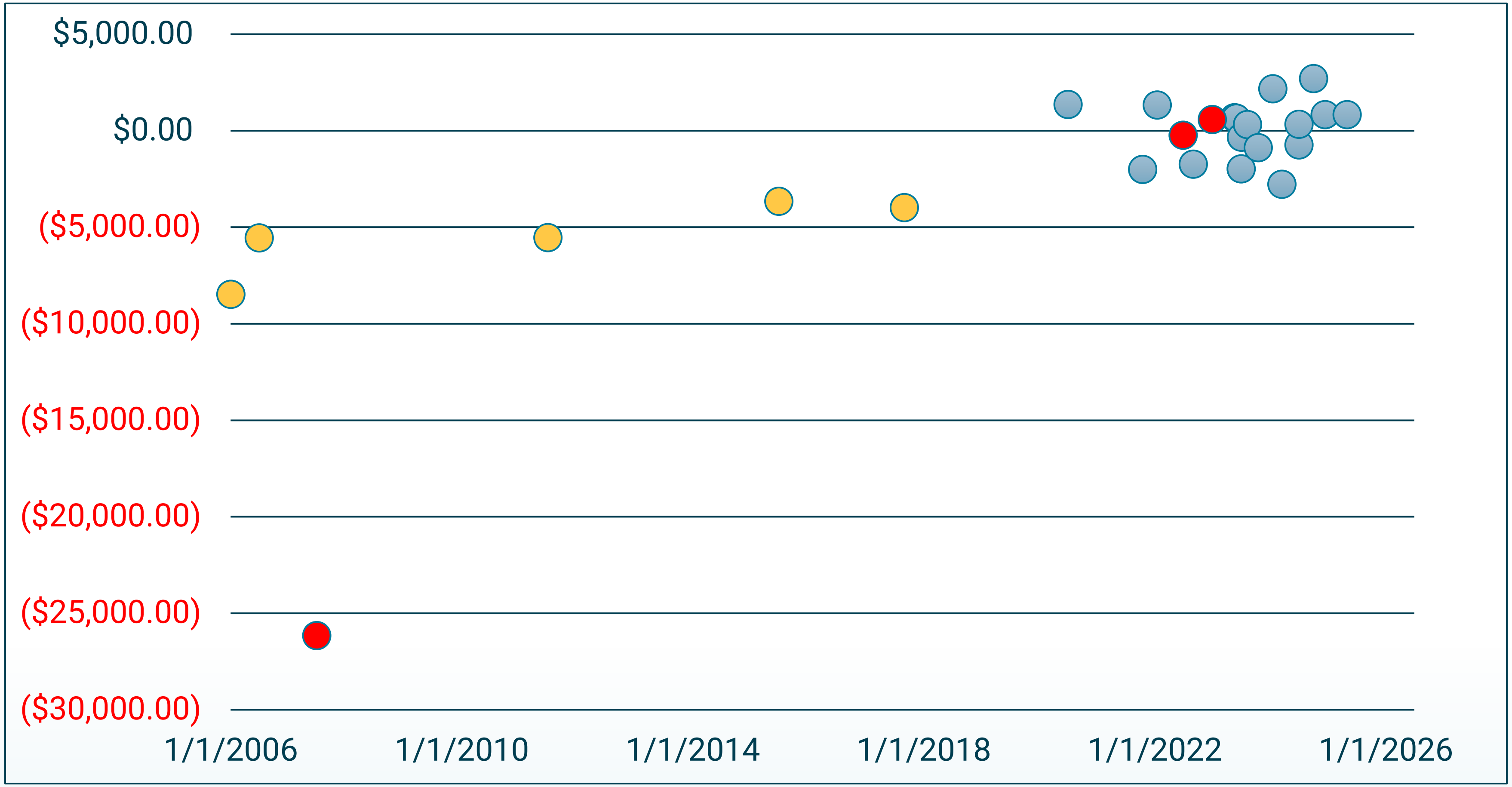
October 2024 – June 2026 DFS Items





October 2024 – June 2026 DFS Items

Amount Underpaid/Overpaid
by Date of Retirement



Questions?

New York State Teachers' Retirement System

Actuarial Valuation Report

as of June 30, 2025

OFFICE OF
440 ACTUARY

JULY 21, 2026

EXECUTIVE SUMMARY

The purpose of this report is to present to the New York State Teachers' Retirement System ("NYSTRS", "the Retirement System", or "the System") Retirement Board the results of the annual actuarial valuation of assets and liabilities of the NYSTRS' Plan ("the Plan") as of June 30, 2025. In accordance with Section 517 of the NYS Education Law, the Retirement Board has the authority to adopt the Employer Contribution Rate recommended by the Office of the Actuary.

The Retirement System is a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are made by participating employers in accordance with an actuarially determined employer contribution rate determined each June 30. Members of the System contribute in accordance with a fixed-rate schedule, as required by Article 15 of the NYS Retirement and Social Security Law. Tier 5 members are required to contribute 3.5% of salary. Tier 6 members are required to contribute between 3.0% and 6.0% of salary, according to a salary-based schedule.

The funding objective of NYSTRS is to ensure long-term stability and security of members' benefits by systematically funding the plan through actuarially calculated employer contributions, employee contributions and investment income. The funding method is set by New York State Education Law and provides for the gradual and complete funding of all benefits as they are earned, avoiding the accumulation of unfunded liabilities and promoting intergenerational equity among plan members.

This report summarizes the determination of the June 30, 2025 Employer Contribution Rate (ECR) which will be applied to member salaries earned during the July 1, 2026 to June 30, 2027 fiscal year and collected on September 15, October 15, and November 15 of 2027. This report also reviews the funded status of the Retirement System.

Key Results

	June 30, 2025	June 30, 2024
Membership		
Active Members	275,053	272,363
Service Retirees	175,254	173,014
Disabled Retirees	2,008	2,031
Beneficiaries	7,659	7,396
Total	459,974	454,804
Employer Contribution Rate		
Normal Rate	7.76 %	9.11 %
Administrative Rate	0.35 %	0.35 %
Group Life Insurance Rate (GLIF)	0.13 %	0.13 %
Excess Benefit Plan Rate	0.00 %	0.00 %
Total	8.24 %	9.59 %
Contribution Amount		
Employer Contributions	$ 1,997,403,593	$ 1,874,458,916
Member Contributions	$ 291,784,649	$ 258,471,825
Assets		
Market Value	$ 154,193,125,241	$ 145,821,434,780
Market Value Rate of Return (1-Year)	10.6 %	11.4 %
Actuarial Value	$ 149,492,982,505	$ 142,478,775,707
Funded Status		
Based on Market Value of Assets	103.3 %	101.5 %
Based on Actuarial Value of Assets	100.2 %	99.1 %

Employer Contribution Rate:

The employer contribution rate decreased by (14.1)% from 9.59% to 8.24% due to a decrease in the normal rate from 9.11% to 7.76%. The following table summarizes the Employer Contribution Rate for the last 10 years. Additional historical Employer Contribution rates are included in Table 12 of this report.

Fiscal Year End	Employer Contribution Rate (%)
6/30/2016	9.80 %
6/30/2017	10.62 %
6/30/2018	8.86 %
6/30/2019	9.53 %
6/30/2020	9.80 %
6/30/2021	10.29 %
6/30/2022	9.76 %
6/30/2023	10.11 %
6/30/2024	9.59 %
6/30/2025	8.24 %

Asset Information:

This report relies on asset information provided by the Retirement System’s finance department. The investment and actuarial staff review the asset information for completeness. Asset information is reviewed by the Retirement System’s independent auditors as part of the annual audit. We believe the asset information to be reasonable and appropriate for purposes of this valuation.

The rate of return on the System’s market value of assets was 10.6%. The System’s current five-year market value rate of return increased from 8.5% to 10.0%. The interest rate for valuation purposes, and the expected investment return, is 6.95%

The Retirement Board, in consultation with Retirement System staff and the System’s external investment consultant annually reviews the asset allocation to determine if any changes are warranted. The target asset allocation has remained unchanged between June 30, 2025 and the time of this report and therefore the asset allocation target equity-fixed income split remains at 72%/28%. System asset values are frequently reviewed, and assets are periodically rebalanced in line with the asset allocation targets and ranges. Projected cash flow needs are regularly monitored so that sufficient cash is available to pay benefits. The Retirement System’s asset allocation, including targets and ranges, can be found in Appendix 4. Historical rate of return information can be found in Table 2. Detailed investment information is available in the System’s Annual Comprehensive Financial Report for Fiscal Years Ended June 30, 2025 and 2024.

Actuarial Gain / Loss:

The primary driver of the change in the normal rate was Investment Experience which decreased the normal rate by (2.69)%, offset by Salary Experience and the Assumption Change. A full summary of the gain / loss analysis of the Employer Contribution Rate is included in Table 10 of this report.

Funded Ratio:

The funded ratio on an Actuarial Value of Assets basis increased from 99.1% to 100.2%, due to Investment Experience offset by Salary Experience and the Assumption Change. Funding progress information can be found in Table 5.

Actuarial Assumptions:

Actuarial assumptions were developed based on Retirement System experience and public tables. New demographic and economic assumptions were adopted by the Retirement Board on October 30, 2025 and were effective with the actuarial valuation of the Retirement System's assets and liabilities as of June 30, 2025. In accordance with Sections 501, 508 and 517 of the Education Law, the Retirement Board has the authority to adopt the actuarial assumptions as recommended by the Office of the Actuary.

Each year the Office of the Actuary completes an experience study to regularly monitor the reasonableness and appropriateness of the actuarial assumptions used in the actuarial valuation. Changes are recommended when warranted. Assumptions are typically revised every five years. These assumptions are used to estimate the probability an active member will cease teaching due to retirement, withdrawal, disability, or death. In addition, the assumptions are used to estimate future salary increases, future investment earnings, future projected COLAs, and the probability of death for retired members and beneficiaries. A listing of the actuarial assumptions is provided in Appendix 2.

Member Data:

The System serves more than 275,000 active members as well as more than 184,000 retired members and beneficiaries. Appendix 3 of this report summarizes the participant data.

Legislation:

The following legislation affecting the Retirement System was signed into law during the first half of 2026. These plan changes will be included in the upcoming June 30, 2026 Valuation.

Tier 6 Retirement Age and Employee Contribution Rate:
Chapter 58 of the Laws of 2026 changed the age at which NYSTRS members who first joined the System on or after April 1, 2012 (i.e., Tier 6) may retire without reduction of their retirement benefit from age 63 to age 58 with the completion of 30 or more years of service credit. This legislation was deemed to have been in full force and effect on and after April 1, 2026.

This legislation also extends the period during which the calculation of the employee contribution rate for NYSTRS members with a date of membership on or after April 1, 2012, to be determined using only the member's annual base wages and would not include any other additional pensionable compensation for two additional school years (i.e., those years ending June 30, 2027 and June 30, 2028).

These changes will not impact the June 30, 2025 employer contribution rate. The cost due to these changes will first be reflected beginning with the June 30, 2026 employer contribution rate. The estimated annual cost of these changes is 0.46% of pay, or $94.9 million.

Risk Assessment

An assessment of risk is included in Table 13. The purpose of this exhibit is to identify primary risks to NYSTRS, review historic impact of these risks, and estimate how these risks may impact the Employer Contribution Rate in the future by illustrating hypothetical Employer Contribution Rates based on varying the actuarial assumptions. The exhibit also reviews plan maturity measures. Finally, the Low-Default-Risk

Obligation Measure (LDROM) is included, as required by Actuarial Standard of Practice (ASOP) No. 4. The LDROM assesses the use of a risk-free investment strategy.

Risk Measure	June 30, 2025	10-YR Average	Commentary
Asset Volatility Ratio	7.9	7.5	As the plan matures and assets grow relative to payroll, investment volatility has a greater impact on funded status. Adverse experience may require larger contributions to restore funding.
Retiree Accrued Liability Ratio	55.4%	58.0%	As the plan matures, benefit payments increasingly exceed contributions, requiring investment income and asset liquidation to fund benefit payments. While typical for mature plans, this increases reliance on investment performance and reduces flexibility during market downturns.
Cash Flow Ratio	(4.2)%	(4.4)%	As a mature, well funded plan NYSTRS has a negative cash flow as contributions collected are less than benefits paid. This is typical of a mature plan.

Future Expectations

The next employer contribution rate will be based upon the actuarial valuation as of June 30, 2026. The investment rate of return through June 30, 2026 is not yet available. Based on NYSTRS' asset allocation, the following indices are used as performance benchmarks.

Asset Allocation	Index	Index Rate of Return
Domestic Equity	S&P 1500	22.87%
International Equity	ACWI ex-US	27.66%
Fixed Income	Bloomberg Aggregate Float Adjusted Bond	3.71%

Based on the performance of these benchmarks, the System is expected to have a positive rate of return on investments for the fiscal year through June 30, 2026.

Actuarial Certification

This actuarial valuation relies on member data provided by the participating employers and by members to the Retirement System's administrative staff. The administrative and actuarial staff review this data for reasonability and completeness as well as reconcile it against prior data. In addition, the valuation relies on financial data provided by the Retirement System's Finance Department. Data is reviewed by the Retirement System's independent auditors as part of the annual audit. We believe the data to be reasonable and appropriate for purposes of this study and in compliance with ASOP No. 23 – Data Quality. Data distributions and statistics can be found in the System's Annual Comprehensive Financial Report.

The benefits recognized in this actuarial valuation are prescribed by New York State statute (Article 11 of the Education Law and Articles 11, 14, 15, 18, 19, and 20 of the Retirement and Social Security Law) and are summarized in Appendix 19. All benefits are included in the actuarial valuation.

Future actuarial measurements such as the funded ratio and employer contribution rate may differ significantly from the current measurements presented in this report due to such factors as: future experience that differs significantly from that predicted by the actuarial assumptions; changes in the actuarial assumptions or methods; and changes in plan provisions or applicable law. The potential range of future measurements was not assessed as it was outside the scope of this report.

The purpose of this report is to present to the NYSTRS Retirement Board the results of the annual actuarial valuation of assets and liabilities of the NYSTRS' Plan ("the Plan") as of June 30, 2025.The measurements in this report may not be applicable for other purposes. This report should not be relied upon for any other purpose.

The economic and demographic assumptions were developed in accordance with ASOP No. 27 – Selection of Assumptions for Measuring Pension Obligations. Data credibility procedures were utilized as required by ASOP No. 25 –Credibility Procedures, to develop the mortality tables.

The valuation results were developed using models employing standard actuarial techniques. We have reviewed the models, including their inputs, calculations and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice including ASOP No. 56 – Modeling. ProVal, a widely used actuarial valuation software program leased from Winklevoss Technologies (WinTech), was used to review assumptions, calculate liabilities and project benefit payments. We have audited the results produced by this model to a limited degree consistent with ASOP No. 56 and believe the software to be appropriate for the purposes for which it has been used.

The actuarial methods, calculations, and actuarial assumptions are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures. The actuarial assumptions, as adopted by the Retirement Board and used in determining the liabilities and costs, are internally consistent and reasonably related to actual and anticipated future experience of the Retirement System and expected to have no significant bias.

The undersigned are members of the American Academy of Actuaries and the Society of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. The undersigned are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries. We are not aware of any direct or material indirect conflict of interest that would impair the objectivity of this analysis.

Actuarial Certification (cont.)

[redacted]

Melody Prangley, FSA, EA, FCA, MAAA
Chief Actuary

[redacted]

Heather Marks, FSA, EA, FCA, MAAA
Director – Actuarial Valuation

[redacted]

Thomas M. King, FSA, EA, MAAA, CERA, CFA
Director – Actuarial Risk

NYS TRS New York State Teachers' Retirement System

Office of the Actuary
July 21, 2026

ACTUARIAL TABLES

ACTUARIAL PRESENT VALUE OF FUTURE BENEFITS

Valuation Interest Rate 6.95%

	June 30, 2025	June 30, 2024
Actuarial Present Value of Future Benefits Payable to In-payment members		
Service Retirement Benefits	$ 73,837,788,772	$ 72,501,208,971
Disability Retirement Benefits	435,561,746	436,283,577
Death Benefits	3,766,468	3,483,286
Survivor Benefits	1,443,967,666	1,385,392,468
Cost-of-Living Allowance	6,096,314,775	5,930,451,822
Subtotal	$ 81,817,399,427	$ 80,256,820,124
Actuarial Present Value of Future Benefits Payable to Active members		
Service Retirement Benefits	$ 76,646,374,198	$ 73,546,508,000
Disability Retirement Benefits	439,108,093	703,638,740
Termination Benefits	2,626,425,269	1,946,028,409
Death and Survivor Benefits	531,976,687	559,764,057
Cost-of-Living Allowance	1,713,357,236	1,544,239,596
Subtotal	$ 81,957,241,483	$ 78,300,178,802
Actuarial Present Value of Future Benefits Payable to Inactive (Vested) members		
Retirement Benefits	$ 1,393,600,942	$ 1,324,588,162
Death Benefits	1,286,786	1,191,878
Cost-of-Living Allowance	111,669,076	98,491,202
Subtotal	$ 1,506,556,804	$ 1,424,271,242
Unclaimed Funds	$ 31,288,305	$ 29,045,724
Total Actuarial Present Value of Future Benefits	**$ 165,312,486,019**	**$ 160,010,315,892**

TABLE 2

MARKET VALUE OF ASSETS RECONCILIATION AND RATES OF RETURN

	June 30, 2025	June 30, 2024
Market Value of Assets at Beginning of Year	$145,821,434,780	$137,221,536,942
Contributions and Transfers		
Employer Contributions	1,997,403,593	1,874,458,916
Member Contributions	291,784,649	258,471,825
Net Transfers in/(out)	(3,751,686)	16,342,668
	2,285,436,556	2,149,273,409
Net Investment Income/(Loss)	14,893,495,056	14,984,822,975
Distributions		
Benefit Payments	(8,710,092,594)	(8,446,156,946)
Administrative Expenses	(97,148,557)	(88,041,600)
	(8,807,241,151)	(8,534,198,546)
Market Value of Assets as of Year Ending	**$154,193,125,241**	**$145,821,434,780**

Note: Totals may not sum due to rounding

Annualized Rates of Return (net of fees)		
1-Year	10.6 %	11.4 %
3-Year	10.3 %	4.1 %
5-Year	10.0 %	8.5 %
10-Year	8.4 %	7.8 %
15-Year	9.7 %	9.8 %
20-Year	7.8 %	7.8 %
25-Year	6.9 %	6.7 %
30-Year	8.4 %	8.7 %

TABLE 3

ASSET SMOOTHING ADJUSTMENT DEVELOPMENT

Fiscal Year End	Market Value	Contributions	Benefit Payments	Average Market Value[1]
June 30, 2020	118,887,899,173	1,920,343,091	7,575,286,123	118,190,112,628
June 30, 2021	146,431,272,296	1,653,676,471	7,787,392,208	116,165,557,236
June 30, 2022	130,102,288,446	1,788,335,695	8,039,853,405	143,678,083,377
June 30, 2023	135,168,430,281	1,934,792,667	8,314,209,434	127,315,661,868
June 30, 2024	143,722,774,333	2,131,878,210	8,534,198,546	132,411,411,407
June 30, 2025	151,937,680,180	2,149,273,409	8,807,241,151	140,841,555,756

Fiscal Year End	Actual Gain/(Loss)[2]	Expected Gain/ (Loss)[3]	Unexpected Gain/ (Loss)[4]	Smoothing Adjustment[5]
June 30, 2020	3,923,634,378			
June 30, 2021	33,668,008,496	8,247,754,564	25,420,253,932	
June 30, 2022	(10,078,814,518)	9,985,626,795	(20,064,441,313)	
June 30, 2023	11,439,286,059	8,848,438,500	2,590,847,559	
June 30, 2024	14,984,822,975	9,202,593,093	5,782,229,882	
June 30, 2025	14,893,495,056	9,788,488,125	5,105,006,931	4,576,794,235

[1]Average Market Value = Market Value$_{\text{(previous year)}}$ - (0.5 x Benefit Payments) + (8.5/12 x Contributions)

[2]Actual Gain/(Loss) = Net Investment Income/(Loss)

[3]Expected Gain/(Loss) = 7.10% x Average Market Value for FYE June 30, 2020 and June 30, 2021
[3]Expected Gain/(Loss) = 6.95% x Average Market Value for FYE June 30, 2022 and after

[4]Unexpected Gain/(Loss) = Actual Gain/(Loss) - Expected Gain/(Loss)

[5]Smoothing Adjustment =		0.20 x Unexpected Gain/(Loss) for	June 30, 2022
	+	0.40 x Unexpected Gain/(Loss) for	June 30, 2023
	+	0.60 x Unexpected Gain/(Loss) for	June 30, 2024
	+	0.80 x Unexpected Gain/(Loss) for	June 30, 2025

ASSETS AND RECEIVABLES FOR VALUATION

Assets for Valuation

Market Value of Assets		$	154,193,125,241
Less:	Employer Contributions Receivable		1,988,542,025
Less:	Member Contributions Receivable		266,903,036
Market Value of Assets excluding Contributions Receivable			151,937,680,180
Less:	Administrative Fund		79,577,832
Less:	Group Life Insurance Fund		541,679,855
Plus:	Employer Contributions Receivable as of June 30, 2025[1] x $(1.0695)^{-3.5/12}$ = \$1,988,542,025 x $(1.0695)^{-3.5/12}$		1,949,951,054
Plus:	Member Contributions Receivable as of June 30, 2025[1] x $(1.0695)^{-3.5/12}$ = \$266,903,036 x $(1.0695)^{-3.5/12}$		261,723,338
	Adjusted Market Value of Assets for Normal Rate	**$**	**153,528,096,885**
Less:	5 Year Smoothing Adjustment		4,576,794,235
	Actuarial Value of Assets for Normal Rate	**$**	**148,951,302,650**

Receivables

Employer Contributions Receivable from Normal Rate in 2026 - 2027 Fiscal Year[2] (2025 - 2026 Salaries) x (2024 Valuation Normal Rate) x $(1.0695)^{-15.5/12}$ = (\$18,985,947,582) x (0.0911) x $(1.0695)^{-15.5/12}$	$	1,585,837,934
Present Value of Future Member Contributions[3]		
(Tier 5 Present Value of Future Member Contributions) x $(1.0695)^{-3.5/12}$ = (\$307,041,420) x $(1.0695)^{-3.5/12}$		301,082,770
(Tier 6 Present Value of Future Member Contributions) x $(1.0695)^{-3.5/12}$ = (\$3,673,251,897) x $(1.0695)^{-3.5/12}$		3,601,966,324
(Adjustment due to Section 613 of RSS Law amendment for Tier 6 member contribution rates) x $(1.0695)^{-3.5/12}$ = (-\$7,600,000) x $(1.0695)^{-3.5/12}$		(7,452,509)
Total Receivables	**$**	**5,481,434,519**

[1]Employer and Member Contributions Receivables are based on the 2024 - 2025 Member Paybase and are collected in 3 installments on September 15, October 15 and November 15 of 2025. The contributions are discounted with the valuation interest rate by 3.5 months.

[2]Employer Contributions Receivable is estimated based on projected 2025 - 2026 Member Salaries for the closed group population used to value the plan's liabilities and is collected in 3 installments on September 15, October 15, and November 15 of 2026. The contributions are discounted with the valuation interest rate by 3.5 months.

[3]The Present Values of Future Member Contributions are estimated for the closed group population used to value the plan's liabilities. These member contributions are collected in the years 2026 - 2027 and beyond and have an additional discount factor applied to adjust for the timing of the actual payments on September 15, October 15, and November 15 of each prospective year.

FUNDING PROGRESS

(In Millions)

The Plan's funded status is measured using both the market value of assets (MVA) and the actuarial value of assets (AVA). The funded ratios presented reflect the relationship of these asset measures to the actuarially accrued liability for benefits earned as of the measurement date. These funded ratios are not intended to represent a settlement or termination basis. The Plan is ongoing and is expected to continue receiving contributions and accruing benefits for members.

Fiscal Year End	Market Value of Assets (MVA)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability	Percent Funded Based On MVA	Percent Funded Based On AVA
June 30, 2016	107,506.1	107,039.2	109,305.1	98.4%	97.9%
June 30, 2017	115,468.4	113,059.7	115,672.5	99.8%	97.7%
June 30, 2018	119,915.5	117,859.5	118,861.1	100.9%	99.2%
June 30, 2019	122,477.5	120,586.9	121,049.3	101.2%	99.6%
June 30, 2020	120,479.5	122,400.4	123,801.7	97.3%	98.9%
June 30, 2021	148,148.5	130,173.8	131,077.4	113.0%	99.3%
June 30, 2022	131,964.6	134,527.0	135,530.9	97.4%	99.3%
June 30, 2023	137,221.5	137,814.2	139,800.8	98.2%	98.6%
June 30, 2024	145,821.4	142,478.8	143,734.6	101.5%	99.1%
June 30, 2025	154,193.1	149,493.0	149,249.7	103.3%	100.2%

Reconciliation of the Funded Status

The yearly change in Funded Status is detailed below. Normal Progression of liabilities and assets reflects the Normal Cost, actual benefit payments, expenses, member and employer contributions, interest on liabilities and expected investment returns.

	Market Value of Assets (MVA)	Actuarial Accrued Liability	Funded Status
Actual June 30, 2024	**$ 145,821.4**	**$ 143,734.6**	**101.5%**
Normal Progression	3,419.3	3,118.7	
Increase/(Decrease) due to Assumption Changes	n/a	1,418.8	
Increase/(Decrease) due to Plan Changes	n/a	—	
Increase/(Decrease) due to Investment Experience	4,952.4	n/a	
Increase/(Decrease) due to Demographic Experience	n/a	977.6	
Actual June 30, 2025	**$ 154,193.1**	**$ 149,249.7**	**103.3%**

Note: Totals may not sum due to rounding

GROUP LIFE INSURANCE FUND (GLIF)

The GLIF was established due to a legislative mandate contained in Chapter 581, Laws of 1970 effective July 8, 1980 which authorizes the System to take steps as are necessary to afford the guaranteed ordinary death benefit provided by the plan in the form of group life insurance. The death benefit paid from the GLIF is not to exceed $50,000.

The Group Life Insurance Fund is used to fund the first $50,000 of the death benefit of an active member and the first $50,000 of the Paragraph 2 post-retirement death benefit for Tier 2-6 retirees.

GLIF Balance as of June 30, 2024	**$**	**497,103,421**
Benefit Payments During 2024-2025		33,065,887
Contributions During 2024-2025		24,821,600
GLIF Net Investment Income During 2024-2025		52,820,721
(Based on 2024-2025 Market Value of Assets Rate of Return of 10.6%)		
GLIF Balance as of June 30, 2025	**$**	**541,679,855**
Benefit Payments During 2025-2026		33,000,000
Contributions During 2025-2026		25,525,501
GLIF Net Investment Income During 2025-2026		37,763,491
(Based on estimated 2025-2026 Market Value of Assets Rate of Return of 6.95%)		
Estimated GLIF Balance as of June 30, 2026	**$**	**571,968,847**
Expected Salaries for the 2025-2026 Fiscal Year	$	20,169,269,271
GLIF Rate		0.13 %
Expected Contributions for the 2026-2027 Fiscal Year	$	26,220,050

Note that the GLIF Rate is currently maintained at 0.13%. This contribution rate, along with investment income, is expected to cover the expected GLIF benefit payment for the current year. In future years, the expected GLIF benefit payments may be larger than the GLIF Rate of 0.13% and then the GLIF Balance will begin to be used.

EXCESS BENEFIT PLAN FUND

The Excess Benefit Plan and Fund was established in 2001 for benefits that exceed the dollar limit established in Internal Revenue Code Section 415(b). The IRC 415(b) dollar limit for 2024 is $275,000 and the limit is adjusted based on a member's age. The portion of a member's benefit that exceeds the dollar limit must be paid from the Excess Benefit Fund. Beginning in September 2025, the Excess Benefit Fund is invested in an interest-bearing savings account.

Excess Benefit Plan Balance as of June 30, 2024	**$**	**4,122,268**
Final Adjustment for the Fiscal Year Ending June 30, 2024		140,996
Benefit Payments During 2024-2025		300,000
Contributions During 2024-2025		—
Net Investment Income During 2024-2025		—
Excess Benefit Plan Balance as of June 30, 2025	**$**	**3,963,264**
Final Adjustment for the Fiscal Year Ending June 30, 2025		166,882
Benefit Payments During 2025-2026		150,000
Contributions During 2025-2026		—
Expected Net Investment Income During 2025-2026*		99,082
Estimated Excess Benefit Plan Balance as of June 30, 2026	**$**	**4,079,228**

Calculation of the Excess Benefit Plan Rate for the June 30, 2025 Actuarial Valuation:
The Excess Benefit Plan Rate is set at 0% to use up the balance that has built up in the fund.

*The fund has been in an interest-bearing checking account since September of 2025.

ADMINISTRATIVE FUND

The Administrative Rate is determined annually through the budget process lead by the Finance department. The System aims to maintain a steady Administrative Rate to minimize the impact of a fluctuating rate on participating employers. The budget process is designed to meet the service and operational needs of the System and includes the following key steps:

August - December:	Development of department staffing and business plans
January:	Development of System operating budget
February - April:	Board Executive Committee reviews and finalizes budget
May - June:	Administrative Rate calculated based on finalized budget
July:	Board approves Employer Contribution Rate including the Administrative Rate

As the Administrative Rate is collected, the amount is maintained in the Administrative Fund. The Administrative Fund is a budget and accounting entity with a self-balancing set of accounts recording financial resources, related liabilities and residual equity, segregated for the purpose of carrying on specific activities related to the operations of the System in accordance with Article 11 of the New York State Education Law. All operating expenses of the System are paid through the Administrative Fund.

A five year forecast analysis of expenses and the Administrative Fund balance is performed each year. Under Article 11, the Administrative Fund balance must be at or above 2.5 - 4.5 months of expenditures. With the assumption that the Administrative Rate is held steady at 0.35%, the Administrative Fund is projected to be at or above the minimum required balance through 2031.

As of June 30, 2025, the Board approved an Administrative Rate of 0.35%.

EMPLOYER CONTRIBUTION RATE CALCULATION

Present Value of Future Salaries (PVFS)

	Total PVFS[1]		
Tier 1	$ 5,964,745		
Tier 2	12,703,571		
Tier 3	52,215,260		
Tier 4	84,463,137,183		
Tier 5	8,772,611,987		
Tier 6	67,429,727,149		
	160,736,359,895		
2025-2026 Discounted Salary	17,752,171,652		
Net PVFS	$ 142,984,188,243	$\times (1 + 0.0695)^{-3.5/12} =$	$ 140,209,341,842

Normal Rate

Actuarial Present Value of Future Benefits (PVFB)	165,312,486,019
Assets	148,951,302,650
Receivables	5,481,434,519
Present Value of Future Salaries	140,209,341,842

$$\text{Normal Cost} = \frac{\text{PVFB - (Assets + Receivables)}}{\text{Present Value of Future Salaries}}$$

$$= 7.76\ \%$$

Employer Contribution Rate

Normal Rate	7.76 %
Group Life Insurance Rate	0.13 %
Excess Benefit Plan Rate	0.00 %
Administrative Rate	0.35 %
Employer Contribution Rate	8.24 %

[1]The Present Value of Future Salaries includes billable salaries starting with the 2026 - 2027 salary year. The billable salaries for the years 2024 - 2025 and 2025 - 2026 are excluded from the PVFS because a Normal Rate applicable to the 2024 - 2025 and 2025 - 2026 billable salary years has already been determined. The expected contributions thereon are included in the assets as receivables. Contributions are expected to be received on September 15, October 15, and November 15 of 2025 and 2026, respectively. Therefore, the total PVFS is discounted with the valuation interest rate by 3.5 months to the measurement date.

GAIN / LOSS IN THE EMPLOYER CONTRIBUTION RATE

Normal Rate:

Salary Experience	
Salary increases higher than expected.	0.27%
Investment Experience	
The recognition of prior investment gains and losses over a five-year period in accordance with the asset valuation method resulted in a net investment gain on the actuarial value of assets.	(2.69)%
New Entrants	
New entrants join the Retirement System as Tier 6 members with a long-term expected normal rate of 5% which results in downward pressure on the normal rate.	(0.09)%
Withdrawal Experience	
Withdrawal experience produced a loss.	0.01%
Mortality Experience	
Members are living longer than expected and receiving benefits for a longer period.	0.06%
Retirement Experience	
Retirement experience produced a loss.	0.01%
Cost of Living Adjustment	
The actual COLA increase of 1.2% was lower than the expected increase of 1.3%	0.00%
Plan Change	
None	0.00%
Assumption Change	
Revised actuarial assumptions for the June 30, 2025 valuation were adopted by the Retirement Board on October 29, 2025. The impact of the revised assumptions is an increase in the ECR. Further details regarding the revision of assumptions of 2025 can be found in the “Recommended Actuarial Assumptions and Methods 2025 Report”.	0.97%
Miscellaneous	
Net increase due to miscellaneous sources (e.g. data updates, tier reinstatements, return to active service, transfers in/out, finalized contribution)	0.11%
Total Change in the Normal Rate:	**(1.35)%**

Other Components:

As of June 30, 2025 the administrative rate remains at 0.35%, as set by the Board through the annual budget process.

The Group Life Insurance Fund Rate is unchanged from the previous year.

The Excess Benefit Plan Rate remains at 0.00%, as additional contributions are not currently needed.

NEW ENTRANT NORMAL RATE

The normal rate for the Plan is calculated using all member data. Hypothetical new entrant normal rates by tier are separately determined. These rates are calculated to provide a consistent measure of the long-term cost of pension benefits for new employees entering under each tier. By holding member characteristics constant, this calculation isolates the effect of changes in benefit structure. The resulting 'new entrant normal rate' serves as a benchmark for evaluating the sustainability and long-term trends of the Plan's benefit costs. Note that the rates exclude the Administrative, GLIF and Excess Benefit Fund rates and thus are best compared to the Plan's normal rate of 7.76% calculated at 6.95% interest.

The new entrant population of 13,276 Tier 6 members is defined as follows:

(a) date of membership between July 1, 2024 and June 30, 2025

(b) active as of June 30, 2025

(c) no more than 1 year of NYS service as of June 30, 2025

	6.95% Interest Rate	Valued in Tier 4 Benefit Structure	Valued in Tier 5 Benefit Structure	Valued in Tier 6 Benefit Structure
(a)	Present Value of Future Benefits	$ 575,842,860	$ 511,880,442	$ 439,522,448
(b)	Present Value of Future Member Contributions	76,288,155	156,679,313	213,845,916
(c)	Present Value of Future Salaries	4,476,551,802	4,476,551,802	4,476,551,802
(d)	Normal Cost	12.9 %	11.4 %	9.8 %
(e)	Member’s Share of Normal Cost (Member Contributions)	1.7 %	3.5 %	4.8 %
(f)	Employer’s Share of Normal Cost (Employer Contributions)	11.2 %	7.9 %	5.0 %

	5.95% Interest Rate	Valued in Tier 4 Benefit Structure	Valued in Tier 5 Benefit Structure	Valued in Tier 6 Benefit Structure
(a)	Present Value of Future Benefits	$ 725,382,370	$ 642,588,112	$ 551,214,075
(b)	Present Value of Future Member Contributions	77,949,535	164,736,649	223,563,864
(c)	Present Value of Future Salaries	4,706,761,394	4,706,761,394	4,706,761,394
(d)	Normal Cost	15.4 %	13.7 %	11.7 %
(e)	Member’s Share of Normal Cost (Member Contributions)	1.7 %	3.5 %	4.7 %
(f)	Employer’s Share of Normal Cost (Employer Contributions)	13.8 %	10.2 %	7.0 %

New Entrant Normal Rates were determined using the valuation interest rate and an interest rate that is 1.0% below the actuarial assumed rate of return with the valuation salary scale arithmetically reduced by 0.5%.

HISTORIC EMPLOYER CONTRIBUTION RATE

The Plan was created in 1921. Since Plan inception the ECR (%) statistics are as follows:

Average: 10.84
Median: 8.83
Minimum: 0.36
Maximum: 23.49

The ECRs from the last 25 years are as follows:

Fiscal Year	ECR (%)
6/30/2001	0.36
6/30/2002	2.52
6/30/2003	5.63
6/30/2004	7.97
6/30/2005	8.60
6/30/2006	8.73
6/30/2007	7.63
6/30/2008	6.19
6/30/2009	8.62
6/30/2010	11.11
6/30/2011	11.84
6/30/2012	16.25
6/30/2013	17.53
6/30/2014	13.26
6/30/2015	11.72
6/30/2016	9.80
6/30/2017	10.62
6/30/2018	8.86
6/30/2019	9.53
6/30/2020	9.80
6/30/2021	10.29
6/30/2022	9.76
6/30/2023	10.11
6/30/2024	9.59
6/30/2025	8.24

RISK MEASURES

Actuarial Standard of Practice No. 51 - Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions provides guidance on assessing and disclosing the risk that future measurements may differ significantly from expected measurements in a pension plan. NYSTRS is exposed to risks that can impact the Plan's future financial condition, including the Plan's funded status and employer contribution rates. This section identifies significant risks that impact the NYSTRS Plan and assesses those risks.

Identification of Risks

The primary risks to the Plan are:

1. **Investment Risk** - the potential that investment results will be different than expected. When actual investment returns are lower than the investment assumption used in the actuarial valuation, employer contributions will increase over a period of time.

2. **Interest & Inflation Rate Risk** - the potential that interest and inflation rates will be different than expected. For example, a period of high inflation could increase salaries and the Cost-of-Living Adjustment (COLA) benefit. These risks are mitigated by plan design. There are limitations on salary increases in determination of the final average salary and COLA is based on a capped inflation to a maximum of 3% on only the first $18,000 of annual benefit.

3. **Longevity and Other Demographic Risks** - the potential that mortality or other demographic experience will be different than expected. For example, retirees living longer than expected. Generally, longevity and other demographic risks emerge slowly over time and assumptions are reviewed and revised periodically to reflect changes.

4. **Contribution Risk** - the potential of actual future contributions differ from expected contributions, including the risk that contributions are lower than expected or not made in accordance with the Plan's funding policy. In accordance with statute and case law, employers are required to contribute the actuarially determined employer contribution rate as adopted by the Board.

5. **Assumption Change Risk** - the potential that assumptions could change in a manner that is not expected due to environment changes. For example, declines in interest rates over time may result in a decrease in the assumed rate of return used in the valuation which would increase the employer contribution rate.

6. **Benefit Change Risk** - the potential that the provisions of the plan or member contributions could change legislatively. The System produces Fiscal Notes for all potential benefit changes which include cost impacts to the Plan.

Historical Impact

In understanding the magnitude of some of these risks, the following is the cumulative annual actuarial gain/loss by the identified risk categories for the five-year period ending June 30, 2025. Note that the Longevity and Other Demographic Risk includes the experience from salary, new entrant profiles, withdrawal, mortality and retirement.

TABLE 13

Risk	Cumulative ECR Increase / (Decrease)
Investment Risk	(9.26)%
Salary & Inflation Rate Risk	1.64%
Longevity and Other Demographic Risk	(0.31)%
Contribution Risk	0.00%
Assumption Change	5.54%
Benefit Change Risk	0.17%

Assessment of Risks - Sensitivity Analysis

The Employer Contribution Rate is highly dependent on the assumptions used to project future events. If actual experience emerges differently from the assumptions used in the valuation process, actuarial gains or losses will results, and future Employer Contribution Rates will be higher or lower. The analysis calculates the impact of each assumption change individually, without accounting for possible correlations between assumptions.

Assumption	Adjustment	Adjusted Employer Contribution Rate
Baseline		8.24%
Investment Risk (Actual Asset Return 10.60%)[1]		
Asset Return	Assumed Asset Return (6.95%)	8.96%
Asset Return	Assumed Return less 1 standard deviation[1]	11.71%
Asset Return	Assumed Return less 2 standard deviations[1]	14.44%
Interest & Inflation Rate Risk		
Salary Scale	Increase of 10%	9.19%
Longevity and Other Demographic Risk		
Service Retirement Rate	Decrease of 10%	7.66%
Service Retirement Rate	Increase of 10%	8.71%
Healthy Annuitant Mortality	Decrease of 10%	10.02%
Healthy Annuitant Mortality	Increase of 10%	6.61%
Active Mortality	Decrease of 10%	8.26%
Active Mortality	Increase of 10%	8.22%
Contribution Risk		
Salary Scale	Decrease of 10%	7.27%
Assumption Change Risk[2]		
Valuation Interest Rate	Decrease of 25 basis points	11.43%
Valuation Interest Rate	Decrease of 50 basis points	14.71%
Valuation Interest Rate	Decrease of 100 basis points	21.57%

[1]The standard deviation of expected returns for the target allocation (using a 30-year risk assumption) is 13.27% as of June 30, 2025. A return that is 1 standard deviation less than assumed would be a return of 6.95% - 13.27%.

[2] The sensitivity analysis assumes that the salary assumption would decrease by one-half of the reduction in the valuation interest rate assumption. For example, the salary scale is reduced by 0.125% when the assumed valuation rate of interest is reduced by 0.25%.

Low-Default-Risk Obligation Measure

The Low-Default-Risk Obligation Measure (LDROM) as required by ASOP 4 - Measuring Pension Obligations And Determining Pension Plan Costs or Contributions, represents what the System's accrued liability would be if the plan invested its assets solely in a portfolio of high-quality bonds whose cash flows approximately matched future benefit payments. NYSTRS invests in a diversified portfolio of stocks, bonds, real estate, and private equity with the objective of maximizing investment returns at a reasonable level of risk.

Reducing the plan's investment risk by investing solely in bonds would likely reduce the plan's long-term investment returns thereby increasing the amount of contributions needed. The difference between the plan's Actuarial Accrued Liability and the LDROM represents the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high-quality bonds. The difference can also be viewed as the cost of mitigating investment risk. Benefit security for members of the plan relies on a combination of the assets in the plan, the investment results generated on those assets, and the promise of future contributions from plan members and sponsors.

The interest rate used in the LDROM calculation to represent the all-bond portfolio is the FTSE Pension Liability Index published by the Society of Actuaries. As of June 30, 2025 the rate was 5.58%. All other assumptions used for the LDROM are the same as those used for the actuarial valuation. The Actuarial Accrued Liability used the valuation interest rate of 6.95%. The Actuarial Accrued Liability and the LDROM are calculated in accordance with the Entry Age Cost Method with level percentage of pay as required by Governmental Accounting Standards Board (GASB) Statement No. 67. The Retirement System is funded in accordance with the Aggregate Cost Method as required by New York State Education Law Section 517.

Plan Measure	Value
Low-Default-Risk Obligation Measure (LDROM)	$174,055,246,006
Actuarial Accrued Liability	$149,249,686,973
Expected taxpayer savings from the plan's investment in a diversified portfolio	**$ 24,805,559,033**
Market Value of Assets	$154,193,125,241
Asset to Low-Default-Risk Obligation ratio	88.6 %

Minor discrepancies in tables are due to rounding.

Plan Maturity Measures

Asset Volatility Ratio

The asset volatility ratio is the market value of assets divided by the active member payroll. As a plan matures, its assets typically increase. The greater a plan's assets are relative to payroll, the more vulnerable the Plan is to investment volatility. This can result in higher volatility of contribution rates, when measured as a percentage of payroll. For example, an asset volatility ratio of 7.0 would mean that for each 1.0% asset loss, there will need to be an increase in contributions equivalent to 7.0% of one-year's payroll. This increase in cost would be spread over the present value of future members' salaries. Over the last ten years, the plan's asset volatility ratio has ranged from 7.0 to 8.7 with an average of 7.5. The June 30, 2025 asset volatility ratio is 7.9.

Retiree Accrued Liability Ratio

The Retiree Accrued Liability Ratio is the ratio of the retired member Actuarial Accrued Liability to the total Actuarial Accrued Liability. Retirees generate immediate cash outflows in the form of benefit payments. As the plan matures, benefit payments increasingly exceed contributions, requiring investment income and asset liquidation to fund benefit payments. While typical for mature plans, this increases reliance on investment performance and reduces flexibility during market downturns. Plans with high retiree proportions have less time to recover from adverse experience. Over the last ten years, the plan's retiree accrued liability ratio has ranged from 55.4% to 60.3% with an average of 58.0%. The June 30, 2025 retired accrued liability ratio is 55.4%.

Cash Flow Ratio

The cash flow ratio is equal to the ratio of the net cash flows in and out of the plan divided by the market value of plan assets. Net cash flow for purposes of this ratio is defined as contributions in minus benefit payments and expense out; it does not include investment income or appreciation. The Plan is in a negative cash flow position indicating the Plan is paying out more in benefits than it is receiving in contributions. This is common in a mature plan. It means that the Plan relies on investment income to cover the shortfall. The risks of negative cash flow are as follows:

1. **Liquidity risk:** assets may need to be liquidated to pay benefits and thus the plan may need to hold liquid assets.
2. **Market Risk:** In a downturn, the plan may be forced to sell assets at depressed values to meet cash flow needs. This accelerates depletion and reduces the chance of recovery when markets rebound.
3. **Contribution Volatility:** Poor investment returns could lead to an increase in required contributions.
4. **Reduced Risk Tolerance:** Volatility may shift the asset allocation more conservatively which can increase the long-term cost of the plan.

Over the last ten years, the plan's cash flow ratio has ranged from (4.9)% to (4.0)% with an average of (4.4)%. The June 30, 2025 cash flow ratio is (4.2)%.

Over the last ten years, the ratio of benefit payments to contributions has ranged from 3.1 to 4.6 with an average of 4.0. The June 30, 2025 benefit payment to contribution ratio is 3.9.

The risk assessments presented are not intended to be a comprehensive evaluation of all risks to the plan. The assessment focuses on selected key risks that are expected to have a material impact on plan outcomes. It reflects the actuary's professional judgment. Other risks have not been explicitly modeled but could also be significant.

TABLE 13

Plan Maturity Measures Table

Asset, Liability and Paybase figures in the table are shown in $ billions.

Fiscal Year End	Market Value of Assets	Active Member Paybase	Asset Volatility Ratio	Retiree Accrued Liability	Total Accrued Liability	Retiree Accrued Liability Ratio	Employer & Member Contrib.	Benefit Payments	Cash Flow Ratio	Benefit Payment to Contrib. Ratio
6/30/2016	107.5	15.4	7.0	65.9	109.3	60.3%	2,175.2	6,780.3	(4.3)%	3.1
6/30/2017	115.5	15.8	7.3	68.7	115.7	59.4%	1,995.0	6,984.6	(4.3)%	3.5
6/30/2018	119.9	16.3	7.4	70.1	118.9	59.0%	1,688.8	7,169.6	(4.6)%	4.2
6/30/2019	122.5	16.7	7.3	71.0	121.0	58.6%	1,920.3	7,381.6	(4.5)%	3.8
6/30/2020	120.5	17.0	7.1	72.8	123.8	58.8%	1,653.7	7,575.3	(4.9)%	4.6
6/30/2021	148.1	17.0	8.7	75.9	131.1	57.9%	1,788.3	7,787.4	(4.0)%	4.4
6/30/2022	132.0	17.7	7.4	78.0	135.5	57.5%	1,934.8	8,039.9	(4.6)%	4.2
6/30/2023	137.2	18.5	7.4	79.7	139.8	57.0%	2,131.9	8,314.2	(4.5)%	3.9
6/30/2024	145.8	19.1	7.6	81.0	143.7	56.4%	2,149.3	8,534.2	(4.4)%	4.0
6/30/2025	154.2	19.6	7.9	82.6	149.2	55.4%	2,285.4	8,807.2	(4.2)%	3.9

APPENDICES

SUMMARY OF PLAN PROVISIONS

Membership

With certain very limited exceptions, membership is mandatory for all full-time New York State public school teachers and administrators, outside New York City. Membership is optional for certain teachers or administrators eligible for the Optional Retirement Program, teachers employed on other than a full-time basis and for certain employees of the State University of New York, community colleges, and the State Education Department. Generally, the membership of any non-vested person will terminate when seven years have elapsed since the member last rendered at least 20 days of credited service in a school year.

Tier is determined by a member's most recent date of membership (DOM) in the Retirement System as follows:

Tier 1: Membership prior to 7/1/1973;
Tier 2: Membership 7/1/1973 - 7/26/1976*;
Tier 3: Membership 7/27/1976* - 8/31/1983;
Tier 4: Membership 9/1/1983 - 12/31/2009;
Tier 5: Membership 1/1/2010 - 3/31/2012;
Tier 6: Membership on or after 4/1/2012.

* The end date for Tier 2 and the start date for Tier 3 differs from what is in law due to a court case known as the Oliver decision, making the start date of the new tier the date that it was signed into law.

Tier 3 members are entitled to receive the benefits of either Tier 3 or Tier 4, however, they may not mix the provisions of the two tiers. For valuation purposes, Tier 3 members are assumed to receive the Tier 4 benefit at retirement, as that is generally always the larger benefit.

Final Average Salary (FAS)

For all tiers, FAS is generally the average of the three highest consecutive full school years of regular salary, whenever they occurred in the salary history, for duties involving the supervision and instruction of students. For Tier 6 members, pensionable earnings can be no more than the Governor's salary which is $250,000 as of 6/30/2025.

Restrictions apply to what types of earnings are included in pensionable earnings. Excluded from the FAS calculation are yearly increases in regular salary exceeding the following limits:

- Tier 1: 20% of the previous year's salary.
- Tier 2: 20% of the average of the previous two years' salaries.
- Tiers 3-6: 10% of the average of the previous two years' salaries.

Service Retirement

The service retirement benefits are payable for life in accordance with the following benefit formulas:

Tier 1: Non-Contributory Plan (DOM Prior to July 1, 1970)

Service Credit	Service Benefit
NYS service before July 1, 1959 AND Out-of-state service	1/100th of FAS per year for each of the first 25 years of service + 1/120th of FAS per year for each of the next 10 years of service + 1/140th of FAS per year for each year of NYS service in excess of 35 years
NYS service on or after July 1, 1959	1/50th of FAS per year for each of the first 25 years of NYS service + 1/60th of FAS per year for each of the next 10 years of NYS service + 1/70th of FAS per year for each year of NYS service in excess of 35 years

Non-Contributory Plan members generally may retire at:
- Age 55 with 20 years of total service or
- Any age with 35 years of total service.

Tier 1: Career Plan (effective July 1, 1970)

Service Credit	Service Benefit
NYS service before July 1, 1959	1.8% of FAS per year of NYS service
NYS service on or after July 1, 1959	2.0% of FAS per year of NYS service
Out-of-state service	1.0% of FAS per year of out-of-state service up to 10 years of credit, but only until total service equals 35 years

The maximum pension permitted is 75% of FAS, or 79% of FAS including the two years of Article 19 service credit. If less than 20 years of NYS service, the above formula is used except the benefit is reduced by 5% for each year of service less than 20, subject to a maximum reduction of 50%.

Career Plan members generally may retire at:
- Age 55 with 2 years of NYS service or
- Any age with 35 years of total service.

The provisions of Article 19 of the Retirement and Social Security Law, effective July 11, 2000, grants eligible Tier 1 and 2 members additional service credit of one-twelfth of a year of service for each year of retirement credit as of the date of retirement or death, up to a maximum of two additional years.

Tier 2: Career Plan
Computed under the Tier 1 Career Plan formula, but may be reduced for early retirement, as noted below.

Tier 2 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6% for each of the first 2 years under age 62 and 3% for each of the next 5 years.

Tier 3: Article 14

Service Credit	Service Benefit
Less than 20 years	1⅔% of FAS per year of NYS service
20 to 30 years	2% of FAS per year of NYS service
30 or more years	60% of FAS

At age 62 the benefit is reduced by 50% of the primary Social Security benefit accrued while in NYS public employment. A member may be eligible for automatic cost-of-living adjustments.

Tier 3 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 1/15th for each of the first 2 years under age 62 and 1/30th for each of the next 5 years.

Article 15 of the New York State's Retirement and Social Security Law allows all Tier 3 members to receive the better of the Tier 3 and Tier 4 benefit. As of the 2025 assumption study, less than 1% of retirees retired under the Tier 3 benefits with the remaining retiring under the Tier 4 benefits. The last retirement under Tier 3 benefits was in 2011. Thus, it is assumed for the valuation that all Tier 3 members retire under Tier 4 benefits.

Tier 4: Article 15

Service Credit	Service Benefit
Less than 20 years	1⅔% of FAS per year of NYS service
20 to 30 years	2% of FAS per year of NYS service for all service
30 or more years	60% of FAS + 1½% of FAS per year of NYS service in excess of 30 years

Tier 4 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6% for each of the first 2 years under age 62 and 3% for each of the next 5 years.

Tier 5: Article 15

Service Credit	Service Benefit
Less than 25 years	1⅔% of FAS per year of NYS service
25 to 30 years	2% of FAS per year of NYS service for all service
30 or more years	60% + 1½% of FAS per year of NYS service in excess of 30 years

Tier 5 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 57 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6⅔% for each of the first 2 years under age 62 and 5% for each of the next 5 years.

Tier 6: Article 15

Service Credit	Service Benefit
Less than 20 years	1⅔% of FAS per year of NYS service
20 years	1.75% of FAS per year of NYS service for all service
More than 20 years	35% + 2% of FAS per year of NYS service in excess of 20 years

Tier 6 members generally may retire at:
- Age 63 with 5 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6.5% for each year under age 63.

Disability Retirement

Generally, a member with at least 10 years of service may qualify for a disability retirement benefit of the smaller of 1) 1⅔% of FAS per year of projected service to age 60 or 2) ⅓ of FAS; but the benefit shall not be less than 1⅔% of FAS per year of completed service. For disabilities in the line of duty, the 10 year service requirement is waived.

Death Benefits

Active Service

Active members are eligible for the in-service death benefit.
The Tier 1 death benefit is generally equal to the greater of 1) 3 times annual salary after 36 years of service (proportionately reduced for less than 36 years), or 2) for members who are at least age 55 with 20 years of service, the pension reserve calculated under a prior, lower service retirement formula.

Under legislation enacted in 2000, all Tier 2-6 members will be covered by the Paragraph 2 Death Benefit, unless they selected Paragraph 1 (see Tier 1 Calculation above) and it is greater than Paragraph 2. All members joining on or after January 1, 2001, will be covered by the Paragraph 2 Death Benefit. The benefit is one year's salary after a year of service, increasing to a maximum of three years' salary after three years or more of service. Beginning at age 62 for Tier 2-5 members, and age 63 for Tier 6 members, the benefit is reduced by 4% per year, up to a maximum reduction of 40% (age is not rounded, and the reduction is not prorated). As of the 2025 assumption study, more than 99% of active and inactive (vested) member deaths were under Paragraph 2 and thus, it is assumed for the valuation that all active and inactive (vested) members deaths receive Paragraph 2 benefits.

The law limits the amount of salary that can be used in the calculation of the Paragraph 2 Death Benefit.

Under Paragraph 2, if the in-service death benefit is in effect when a member retires, coverage may continue after retirement. To be eligible for the continued coverage in retirement, the member must retire within one year of leaving the payroll and not be employed (other than NYSTRS service) between the member's cease-teaching date and retirement date. The benefit would be:

- 1st Year: 50% of the death benefit in effect at retirement;
- 2nd Year: 25% of the benefit at retirement; and,
- 3rd & Ensuing Years: 10% of the benefit in effect at retirement (or at age 60, if the member retires after age 59).

For in-service deaths occurring in the line of duty, certain surviving family members may be entitled to an annuity of 50% of regular salary earned during the last year of service. It is assumed for the valuation that 0% of deaths are in the line of duty.

Not-in-Active Service

Members not actively working are eligible for the the not-in-active service death benefit. The death benefit for members of all tiers with at least ten years of service credit who die when not in active service is equal to one-half the active member death benefit.

Deferred Retirement/Vesting

Tiers 1-4:
A member with at least 5 years of credited service who ceases teaching has a vested right to receive a deferred service retirement benefit. A member with at least 5, but less than 10 years of service credit, has the choice of receiving a refund of their member contributions with interest or a deferred service retirement benefit. A member with ten or more years of service credit will receive the deferred service retirement benefit.

Tiers 5 and 6:
A member with at least 5 years of credited service who ceases teaching has a vested right to receive a deferred service retirement benefit. Members with less than 5 years of credited service who cease teaching may receive a refund of their member contributions with interest.

Member Contributions

Certain Tier 1 and 2 members may elect to contribute to receive an additional benefit upon retirement. Tier 3 and 4 members are required to contribute 3% of pay to fund a portion of their benefit. Effective October 1, 2000, such contributions cease upon the attainment of the earlier of 10 years of service credit or 10 years of membership. Tier 5 members are required to contribute 3.5% of their salary throughout their active membership.

Tier 6 members are required to contribute throughout their active membership. From 4/1/2012 through 3/31/2013, all Tier 6 members were required to contribute 3.5%. Beginning 4/1/2013 members are required to contribute in accordance with the following schedule:

Salary	Contribution Rate
$45,000 and less	3.00%
More than $45,000 to $55,000	3.50%
More than $55,000 to $75,000	4.50%
More than $75,000 to $100,000	5.75%
More than $100,000 to $250,000 (the limit currently equal to the NYS governor’s salary)	6.00%

For purposes of administration, a Tier 6 member's contribution rate in any given year is based on regular compensation earned two years prior. During the member's first three years of membership, he/she will contribute a percentage based on a salary projection provided by the employer. A temporary change for Tier 6 member’s during the fiscal years ending June 30, 2023 through June 30, 2028: the employee contribution rate will be determined using only a member’s annual base wages. Compensation earned for extracurricular programs, or any other pensionable earnings paid in addition to the annual base wages will not be included in the employee contribution rate determination, as it ordinarily would.

Members who withdraw their membership receive their Annuity Savings Fund (Tier 1 or 2) or Required Contributions Fund (Tiers 3 - 6) plus interest of 5%. NYSTRS membership automatically ceases for members if they: a) have less than five years of service credit, and b) have not received the equivalent of 20 full-time days of credit in a school year for seven consecutive school years.

Cost-of-Living Adjustment (COLA)

A permanent, annually adjusted cost-of-living benefit is provided to both current and future retired members. This benefit was first paid commencing September 2001, and is increased every September thereafter, to retired members who meet one of the following eligibility criteria:

- Age 62 and retired for 5 years, or
- Age 55 and retired for 10 years, or
- Retired for 5 years under a disability retirement.

The annual COLA percentage is equal to 50% of the increase in the annual CPI rounded up to the nearest tenth of a percent; not to exceed 3% nor be lower than 1%. It is applied to the first $18,000 of annual benefit. Additionally, commencing September 2000, members retired before 1997 are eligible for a “Catch-Up” supplemental benefit upon satisfaction of the above eligibility criteria.

Change in Plan Provisions

The following legislation affecting the Retirement System was signed into law during the first half of 2026. This plan change will be included in the upcoming June 30, 2026 Valuation.

Tier 6 Retirement Age and Employee Contribution Rate:
Chapter 58 of the Laws of 2026 changed the age at which NYSTRS members who first joined the System on or after April 1, 2012 (i.e., Tier 6) may retire without reduction of their retirement benefit from age 63 to age 58 with the completion of 30 or more years of service credit. This legislation was deemed to have been in full force and effect on and after April 1, 2026.

This legislation also extends the period during which the calculation of the employee contribution rate for NYSTRS members with a date of membership on or after April 1, 2012, to be determined using only the member's annual base wages and would not include any other additional pensionable compensation for two additional school years (i.e., those years ending June 30, 2027 and June 30, 2028).

ACTUARIAL ASSUMPTIONS AND METHODS

Actuarial Funding Method

The funding method used for the valuation is the Aggregate Cost Method. This funding method is required by Section 517 of the New York State Education Law.

The normal rate percentage is developed as a level percentage of total member compensation. This percentage equals the portion of the actuarial present value of projected benefits which exceeds the actuarial value of assets divided by the present value of future compensation of the active members, as of the valuation date.

The cost of the first $50,000 of member death benefits, Retirement System administrative expenses, and benefits in excess of the IRC Section 415 limits are each determined using the pay-as-you-go method.

All actuarial gains and losses are automatically amortized as part of the normal rate calculation, over the expected future working lifetime of active members. The average expected future working lifetime for the active population determined by the actuarial valuation as of June 30, 2025 is 11.77 years.

The following calculations were completed to verify that the Aggregate Method is a reasonable and appropriate actuarial funding method that provides sufficient assets to pay current benefits as well as accrued assets that will be needed to pay future benefits. Contribution volatility is monitored within the actuarial risk review. Risk Measures can be found in Table 13 of this report.

	June 30, 2025
Entry Age Unfunded Actuarial Accrued Liability	(243,295,534)
Entry Age Normal Cost	1,603,404,031
Entry Age Normal Funded Status	100.2 %

There is no unfunded Actuarial Accrued Liability as of June 30, 2025 therefore a single amortization period equivalent to the Aggregate Method cannot be computed.

Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a 5-year recognition of each year’s net investment income/loss more than (or less than) 6.95% at a rate of 20% per year. Expected investment income is determined using the 6.95% assumed investment return.

The actuarial value of assets for the administrative, group life insurance, and excess benefit plan funds is equal to the fair market value of assets, excluding contributions receivable.

Actuarial Models

The NYSTRS Office of the Actuary utilizes ProVal, a widely used actuarial valuation software program leased from Winklevoss Technologies (WinTech), to calculate liabilities and projected benefit payments. We have audited the results produced by this model to a limited degree consistent with Actuarial Standards of Practice (ASOP) No. 56 and believe the software to be appropriate for the purposes for which it has been used.

Valuation Rate of Interest Assumption

The interest rate for valuation purposes is a level 6.95%. This valuation rate of interest is made up of a 2.5% annual rate of inflation and a 4.45% real rate of return. The valuation rate of interest assumption represents our best estimate of the anticipated annual rate of return on plan assets over a long-term horizon.

The valuation rate of interest assumption is developed based upon the Retirement System's specific asset allocation, and capital market forecasted long-term return assumptions, as provided by Callan, the System's investment consultant, and other available investment consultant forecasts. Using expected returns and standard deviations for each asset class, and including anticipated correlation between the classes, a long-term anticipated rate of return is developed. Callan's capital market expectations, reflecting the System's target asset allocation and asset class correlations, are as follows.

Horizon	Single-Period Arithmetic Return Expectation	Geometric Return Expectation	Inflation
10-year	8.12%	7.33%	2.49%
20-year	8.30%	7.50%	2.43%
30-year	8.44%	7.64%	2.37%

For a complete explanation of the rationale behind the System's valuation rate of interest assumption, please refer to the "Recommended Actuarial Assumptions 2025 Report".

Inflation Assumption

The inflation assumption is 2.5%.

Projected COLA Assumption

The COLA percentage is one-half of the increase in the Consumer Price Index, all urban consumers 1982-84=100 base year (CPI-U), not seasonally adjusted, as reported by the Bureau of Labor Statistics from March to March, rounded up to the nearest tenth of a percent, with a floor of 1.0% and a cap of 3.0%. Therefore, the estimate of inflation for the COLA benefit is the result of analyzing available CPI-U data with percentages bounded between 2.0% and 6.0% and reduced by 50%. The annual percentage for estimating future COLA benefit payments is 1.4%.

IRC Section 415(b) and 401(a)(17)

For purposes of the normal rate, the limitations under IRC Section 415(b) were not reflected due to immateriality.

The IRC Section 401(a)(17) limit was reflected for members with a membership date on or after July 1, 1996.

Terminated Vested Retirement Rate

Retirement Rates for terminated vested members (no earnings in the fiscal year and entitled to a vested benefit, not yet retired):

Tiers 1 - 5: 100% at the age of 55 or current age if later.
Tier 6: 100% at the age of 63 or current age if later.

Marriage and Form of Payment Assumption

The marriage assumption is not applicable.

All members are assumed to elect the single life annuity, named the Maximum benefit, as all forms of payments are actuarially equivalent.

Tier 6 Pensionable Salary Limit

Tier 6 pensionable earnings are limited to the Governor's salary, currently $250,000 as of June 30, 2025 and is assumed to increase annually by the assumed rate of inflation.

Maximum Salary for Tier 2-6 Death Benefits

The Tier 2 to Tier 6 maximum salary allowable for purposes of the death benefit calculation under Section 130 of the Civil Service Law is $213,995 as of June 30, 2025. It is assumed to increase annually by the assumed annual rate of inflation.

Decrement Timing

All decrements are assumed to occur beginning of year.

Credibility Analysis

A full description of the credibility procedures and Z statistical credibility factors can be found in the report 'Recommended Actuarial Assumptions and Methods 2025 Report' dated October 21, 2025. For the mortality assumption, limited fluctuation credibility theory was used to adjust the published mortality tables for NYSTRS' experience. The published tables used were the Society of Actuaries PubT-2016 Public Retirement Plans Mortality Tables for teachers and the Society of Actuaries PubG-2016 Public Retirement Plans Mortality Tables General for the general public.

Change in Assumptions

As a result of the 2025 Assumption study, there were changes to many assumptions. Please see the 2025 Assumptions Report for complete details. Assumption changes included updated mortality, retirement, withdrawal, COLA and salary scale assumptions.

Active and Inactive (Vested) Member Mortality Rates

Based on a blend of in-service member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 0.590 for females and 0.411 for males, Salary-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate
20	0.000221	0.000082
21	0.000230	0.000082
22	0.000239	0.000082
23	0.000239	0.000082
24	0.000239	0.000082
25	0.000239	0.000082
26	0.000258	0.000091
27	0.000267	0.000100
28	0.000285	0.000118
29	0.000285	0.000127
30	0.000304	0.000137
31	0.000322	0.000155
32	0.000340	0.000173
33	0.000359	0.000182
34	0.000377	0.000209
35	0.000405	0.000219
36	0.000414	0.000237
37	0.000442	0.000255
38	0.000469	0.000282
39	0.000506	0.000300
40	0.000534	0.000328
41	0.000561	0.000337
42	0.000589	0.000364
43	0.000635	0.000392
44	0.000672	0.000410
45	0.000718	0.000437
46	0.000754	0.000464
47	0.000810	0.000501
48	0.000865	0.000537
49	0.000920	0.000583
50	0.000994	0.000628
51	0.001086	0.000674
52	0.001168	0.000728
53	0.001279	0.000792

Age	Male Rate	Female Rate
54	0.001398	0.000856
55	0.001546	0.000929
56	0.001693	0.001011
57	0.001867	0.001111
58	0.002061	0.001220
59	0.002263	0.001329
60	0.002493	0.001466
61	0.002714	0.001612
62	0.002971	0.001766
63	0.003238	0.001949
64	0.003514	0.002122
65	0.003818	0.002322
66	0.004131	0.002540
67	0.004480	0.002786
68	0.004839	0.003041
69	0.005225	0.003342
70	0.005648	0.003670
71	0.006118	0.004043
72	0.006624	0.004471
73	0.007194	0.004935
74	0.007820	0.005472
75	0.008519	0.006083
76	0.009816	0.007075
77	0.011334	0.008231
78	0.013091	0.009579
79	0.015133	0.011163

Healthy Annuitant Mortality Rates

Based on a blend of member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 1.000 for females and 1.000 for males, Benefits-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate
55	0.002064	0.001655
56	0.002287	0.001793
57	0.002547	0.001939
58	0.002835	0.002094
59	0.003151	0.002268
60	0.003495	0.002442
61	0.003886	0.002625
62	0.004304	0.002826
63	0.004760	0.003036
64	0.005252	0.003274
65	0.005792	0.003558
66	0.006377	0.003887
67	0.007028	0.004289
68	0.007744	0.004765
69	0.008553	0.005341
70	0.009492	0.006027
71	0.010561	0.006850
72	0.011806	0.007810
73	0.013247	0.008935
74	0.014948	0.010225
75	0.016929	0.011725
76	0.019234	0.013481
77	0.021911	0.015538
78	0.025026	0.017971
79	0.033499	0.022835
80	0.038374	0.026532
81	0.044020	0.030821
82	0.050537	0.035791
83	0.058055	0.041492
84	0.066683	0.047935
85	0.076486	0.055199
86	0.087529	0.063285
87	0.099834	0.072193
88	0.113478	0.081992
89	0.128536	0.092803

Age	Male Rate	Female Rate
90	0.144975	0.104787
91	0.163080	0.118073
92	0.182827	0.132612
93	0.204032	0.148393
94	0.226510	0.165207
95	0.249815	0.182942
96	0.274338	0.201879
97	0.299297	0.221588
98	0.324353	0.241878
99	0.349279	0.262589
100	0.373857	0.283701
101	0.397978	0.305023
102	0.421511	0.326475
103	0.444305	0.347828
104	0.466315	0.368939
105	0.487063	0.389650
106	0.506766	0.409660
107	0.525230	0.428988
108	0.538046	0.447385
109	0.538851	0.464809
110	0.539602	0.481191
111	0.540309	0.496462
112	0.541125	0.499087
113	0.541876	0.499638
114	0.542692	0.500089
115	0.543399	0.500590
116	0.543671	0.500790
117	0.543834	0.500890
118	0.543998	0.500991
119	0.543998	0.500991
120	1.000000	1.000000

Disabled Annuitant Mortality Rates

Based on a blend of member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 0.445 for females and 0.288 for males, Benefits-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
30	0.004030	0.001979	65	0.028382	0.021978
31	0.004041	0.002191	66	0.028999	0.022272
32	0.004053	0.002403	67	0.029581	0.022649
33	0.004123	0.002627	68	0.030257	0.023203
34	0.004204	0.002839	69	0.031130	0.023980
35	0.004332	0.003074	70	0.032295	0.025099
36	0.004495	0.003310	71	0.033891	0.026642
37	0.004693	0.003533	72	0.035952	0.028644
38	0.004926	0.003769	73	0.038514	0.031141
39	0.005194	0.004005	74	0.041589	0.034192
40	0.005497	0.004228	75	0.045257	0.037855
41	0.005823	0.004464	76	0.049473	0.042154
42	0.006173	0.004723	77	0.054260	0.047089
43	0.006557	0.004994	78	0.059617	0.052554
44	0.006953	0.005300	79	0.065429	0.058467
45	0.007384	0.005654	80	0.071613	0.064615
46	0.007826	0.006042	81	0.078100	0.070834
47	0.008292	0.006490	82	0.084971	0.077170
48	0.008793	0.006973	83	0.092413	0.083907
49	0.009375	0.007526	84	0.100717	0.091339
50	0.010027	0.008127	85	0.110243	0.099937
51	0.010761	0.008798	86	0.122472	0.109383
52	0.011588	0.009564	87	0.136506	0.119513
53	0.012555	0.010447	88	0.151937	0.130195
54	0.013626	0.011437	89	0.168777	0.141420
55	0.014861	0.012567	90	0.186922	0.153222
56	0.016223	0.013828	91	0.205778	0.165754
57	0.017772	0.015217	92	0.224971	0.179134
58	0.019484	0.016760	93	0.244280	0.193538
59	0.021383	0.018433	94	0.263846	0.208979
60	0.023444	0.020211	95	0.283679	0.225681
61	0.024772	0.020718	96	0.304829	0.244255
62	0.025925	0.021118	97	0.326992	0.264419
63	0.026891	0.021460	98	0.350308	0.286103
64	0.027706	0.021731	99	0.374776	0.309164

Disabled Annuitant Mortality Rates (cont.)

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
100	0.400188	0.333486	110	0.577607	0.565633
101	0.426008	0.358550	111	0.578364	0.583583
102	0.451199	0.383767	112	0.579238	0.586669
103	0.475598	0.408866	113	0.580041	0.587316
104	0.499158	0.433683	114	0.580915	0.587846
105	0.521368	0.458028	115	0.581672	0.588435
106	0.542459	0.481549	116	0.581963	0.588671
107	0.562223	0.504269	117	0.582138	0.588789
108	0.575942	0.525894	118	0.582313	0.588907
109	0.576804	0.546376	119	0.582313	0.588907
			120	1.000000	1.000000

Survivor and Beneficiary Mortality Rates

Rates are used when the primary annuitant has died. Based on a blend of member experience and the SOA PubG-2016 General tables using Z statistical credibility factors of 0.914 for females and 0.595 for males, Benefits-weighted, above-median. Rates are projected on a fully generational basis using SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
0	0.000000	0.000000	34	0.000546	0.000272
1	0.000244	0.000094	35	0.000581	0.000303
2	0.000244	0.000094	36	0.000627	0.000324
3	0.000244	0.000094	37	0.000673	0.000355
4	0.000244	0.000094	38	0.000708	0.000376
5	0.000244	0.000094	39	0.000766	0.000407
6	0.000244	0.000094	40	0.000813	0.000439
7	0.000244	0.000094	41	0.000871	0.000470
8	0.000244	0.000094	42	0.000929	0.000491
9	0.000244	0.000094	43	0.000975	0.000522
10	0.000244	0.000094	44	0.001033	0.000564
11	0.000244	0.000094	45	0.001091	0.000585
12	0.000244	0.000094	46	0.001161	0.000627
13	0.000244	0.000094	47	0.001219	0.000668
14	0.000244	0.000094	48	0.001300	0.000721
15	0.000244	0.000094	49	0.001370	0.000762
16	0.000244	0.000094	50	0.002624	0.002235
17	0.000244	0.000094	51	0.002821	0.002423
18	0.000244	0.000094	52	0.003065	0.002569
19	0.000279	0.000094	53	0.003332	0.002663
20	0.000325	0.000094	54	0.003622	0.002778
21	0.000348	0.000094	55	0.003982	0.002903
22	0.000360	0.000094	56	0.004354	0.003050
23	0.000372	0.000094	57	0.004795	0.003196
24	0.000383	0.000094	58	0.005248	0.003394
25	0.000395	0.000104	59	0.005736	0.003634
26	0.000406	0.000115	60	0.006246	0.003896
27	0.000418	0.000125	61	0.006769	0.004157
28	0.000430	0.000146	62	0.007280	0.004439
29	0.000441	0.000157	63	0.007837	0.004742
30	0.000453	0.000188	64	0.008406	0.005086
31	0.000476	0.000198	65	0.009045	0.005483
32	0.000499	0.000219	66	0.009776	0.005963
33	0.000511	0.000251	67	0.010589	0.006548

Survivor and Beneficiary Mortality Rates (cont.)

Age	Male Rate	Female Rate
68	0.011529	0.007227
69	0.012609	0.008042
70	0.013863	0.008992
71	0.015326	0.010110
72	0.017044	0.011394
73	0.019041	0.012877
74	0.021363	0.014601
75	0.024080	0.016606
76	0.027203	0.018883
77	0.030791	0.021514
78	0.034924	0.024543
79	0.039661	0.028021
80	0.045060	0.032052
81	0.051202	0.036742
82	0.058191	0.042120
83	0.066145	0.048272
84	0.075224	0.055217
85	0.085592	0.062956
86	0.097435	0.071499
87	0.110914	0.080909
88	0.126171	0.091248
89	0.143389	0.102642
90	0.162581	0.115185
91	0.183259	0.128888
92	0.204982	0.143635
93	0.227390	0.159436
94	0.250309	0.176105
95	0.273519	0.193661
96	0.297749	0.212449
97	0.322456	0.232167
98	0.347616	0.252669
99	0.373171	0.273870
100	0.398958	0.295708
101	0.424698	0.317932
102	0.449811	0.340293

Age	Male Rate	Female Rate
103	0.474135	0.362549
104	0.497623	0.384554
105	0.519764	0.406141
106	0.540791	0.426998
107	0.560494	0.447144
108	0.574171	0.466319
109	0.575030	0.484481
110	0.575831	0.501556
111	0.576586	0.517473
112	0.577456	0.520209
113	0.578257	0.520784
114	0.579128	0.521254
115	0.579883	0.521776
116	0.580173	0.521985
117	0.580347	0.522089
118	0.580522	0.522194
119	0.580522	0.522194
120	1.000000	1.000000

Service Retirement Rates

Developed using member experience.

	Service: at least 5; less than 20		Service: at least 20; less than 30		Service: at least 30	
Age	**Male Rate**	**Female Rate**	**Male Rate**	**Female Rate**	**Male Rate**	**Female Rate**
55	0.019166	0.025557	0.046212	0.055256	0.367020	0.391610
56	0.018678	0.024732	0.047932	0.056897	0.333159	0.347754
57	0.019064	0.025008	0.051300	0.060249	0.304031	0.306464
58	0.022054	0.028332	0.058123	0.065882	0.301400	0.301503
59	0.026169	0.033154	0.069431	0.075722	0.315623	0.318754
60	0.034723	0.042513	0.092594	0.102809	0.330707	0.350883
61	0.060127	0.066721	0.170277	0.192886	0.352851	0.383246
62	0.104443	0.104299	0.309268	0.349640	0.372204	0.394013
63	0.105453	0.113000	0.263990	0.306593	0.350139	0.370694
64	0.111322	0.128861	0.251824	0.291683	0.332700	0.345360
65	0.140192	0.154457	0.283203	0.319195	0.352289	0.356395
66	0.167092	0.172981	0.306412	0.343771	0.373006	0.373880
67	0.173295	0.173225	0.304244	0.338061	0.365385	0.363230
68	0.169189	0.164568	0.316215	0.312577	0.331771	0.343864
69	0.180671	0.168203	0.325934	0.300902	0.316989	0.332577
70	0.196710	0.174499	0.289291	0.304520	0.322897	0.308491
71	0.172914	0.166585	0.257363	0.300387	0.274741	0.279975
72	0.152101	0.138184	0.262551	0.287994	0.209810	0.275341
73	0.174560	0.097129	0.278795	0.249286	0.189112	0.286138
74	0.184066	0.101845	0.280908	0.219630	0.187123	0.270875
75	0.160861	0.136325	0.242297	0.236136	0.182676	0.208324
76	0.134534	0.158349	0.265266	0.233023	0.127679	0.163018
77	0.104749	0.157217	0.358824	0.166492	0.088352	0.183502
78	0.108512	0.097702	0.383333	0.109769	0.101705	0.226378
79	0.157456	0.079980	0.285897	0.118743	0.180465	0.257022
80+	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000

Disability Retirement Rates

Developed using member experience. The same rate applies to both females and males. It is assumed that no disabilities are in the line of duty.

Age	Rate	Age	Rate
30	0.000010	65	0.000093
31	0.000011	66	0.000104
32	0.000012	67	0.000111
33	0.000014	68	0.000103
34	0.000028	69	0.000085
35	0.000043	70	0.000059
36	0.000059	71	0.000035
37	0.000082	72	0.000010
38	0.000123	73	0.000009
39	0.000177	74	0.000008
40	0.000234	75	0.000008
41	0.000284	76	0.000007
42	0.000311	77	0.000006
43	0.000320	78	0.000006
44	0.000321	79	0.000005
45	0.000326		
46	0.000366		
47	0.000473		
48	0.000623		
49	0.000790		
50	0.000943		
51	0.001042		
52	0.001069		
53	0.001027		
54	0.000944		
55	0.000849		
56	0.000743		
57	0.000624		
58	0.000506		
59	0.000401		
60	0.000289		
61	0.000185		
62	0.000120		
63	0.000096		
64	0.000090		

Withdrawal Rates

Developed based on member experience.

Service	Male Rate	Female Rate
0	0.255651	0.260990
1	0.137919	0.118187
2	0.096340	0.091396
3	0.091200	0.077296
4	0.067940	0.064034
5	0.049070	0.051316
6	0.044076	0.047038
7	0.039082	0.042761
8	0.034088	0.038484
9	0.029093	0.034207
10	0.024099	0.029929
11	0.021337	0.026459
12	0.018574	0.022989
13	0.015812	0.019520
14	0.013049	0.016050
15	0.010287	0.012580
16	0.010078	0.011576
17	0.009869	0.010572
18	0.009661	0.009568
19	0.009452	0.008564
20	0.009244	0.007560
21	0.008389	0.006626
22	0.007534	0.005691
23	0.006679	0.004757
24	0.005824	0.003822
25	0.004969	0.002888
26	0.004755	0.002654
27	0.004541	0.002420
28	0.004328	0.002187
29	0.004114	0.001953
30	0.003900	0.001719
31	0.003686	0.001486
32+	0.003473	0.001252

Salary Scale

Developed using member experience. The same rate applies to both females and males. Teachers in the State of New York follow a salary grading with steps based on longevity and professional level. Teachers nearing the end of their career may have slower salary progression due to reaching the maximum salary based on the salary grading system.

Rates below apply for years starting with the June 30, 2028 valuation. For the June 30, 2025, 2026 and 2027 valuations, all rates are increased by 0.30% to account for recent inflation.

Duration	Rate	Duration	Rate
0	1.1044	30	1.0233
1	1.0902	31	1.0227
2	1.0763	32	1.0221
3	1.0682	33	1.0215
4	1.0625	34	1.0209
5	1.0580	35	1.0204
6	1.0545	36	1.0198
7	1.0514	37	1.0193
8	1.0488	38	1.0188
9	1.0465	39	1.0183
10	1.0445	40	1.0178
11	1.0426		
12	1.0409		
13	1.0394		
14	1.0379		
15	1.0366		
16	1.0354		
17	1.0342		
18	1.0331		
19	1.0321		
20	1.0311		
21	1.0301		
22	1.0292		
23	1.0284		
24	1.0276		
25	1.0268		
26	1.0260		
27	1.0253		
28	1.0246		
29	1.0240		

DATA EXHIBITS

Member Status Reconciliation

Active Members	Male	Female	X*	Total
June 30, 2024	63,012	209,321	30	**272,363**
Changes During Year:				
Added	3,400	10,599	19	**14,018**
Withdrawn	1,103	3,104	9	**4,216**
Retired	1,652	5,263	0	**6,915**
Died	80	117	0	**197**
June 30, 2025	63,577	211,436	40	**275,053**

Retired Members	Service**			Disability				Total		
	Male	Female	Total	Male	Female	Total		Male	Female	Total
June 30, 2024	47,911	125,103	**173,014**	393	1,638	**2,031**		48,304	126,741	**175,045**
Changes During Year:										
Retired	1,629	5,191	**6,820**	23	72	**95**		1,652	5,263	**6,915**
Died	1,762	2,745	**4,507**	34	82	**116**		1,796	2,827	**4,623**
Lump Sum	15	58	**73**	0	0	**0**		15	58	**73**
Restored to Active Membership	0	0	**0**	0	2	**2**		0	2	**2**
June 30, 2025	47,763	127,491	**175,254**	382	1,626	**2,008**	***	48,145	129,117	**177,262**

Beneficiaries of Deceased Members	Service Annuitants			Disability Annuitants			Active Members			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
June 30, 2024	1,821	5,223	**7,044**	110	147	**257**	24	71	**95**	1,955	5,441	**7,396**
Changes During Year:												
Added	237	453	**690**	7	5	**12**	1	1	**2**	245	459	**704**
Died	128	293	**421**	4	9	**13**	2	5	**7**	134	307	**441**
June 30, 2025	1,930	5,383	**7,313**	113	143	**256**	23	67	**90**	2,066	5,593	**7,659**

Total	Male	Female	X*	Total
Active Members	63,577	211,436	40	**275,053**
Retired Members	48,145	129,117	0	**177,262**
Beneficiaries	2,066	5,593	0	**7,659**
Total	113,788	346,146	40	**459,974**

*As of January 1, 2023, Section 79-Q of the New York Civil Rights Law requires the collection of gender or sex data provide a separate field with the option of marking gender or sex as "X." NYSTRS updated its physical and online forms to provide an additional write-in option. Members may modify their gender or sex during different reporting periods. If so, these changes will be reflected in the "Withdrawn" or "Added" reporting lines in the Active Members table.
**Also includes vested retirees.
*** includes 11 males and 28 females retired for disability who receive a service benefit.

Active Members Age and Service Distribution

Age		Years of Credited Service 0-5	6-10	11-15	16-20	21-25	26-30
20-24	**Count of Members**	11,734	1	0	0	0	0
	Average Salary	*$47,944*	*$37,671*	*$0*	*$0*	*$0*	*$0*
25-29	**Count of Members**	24,695	1,677	0	0	0	0
	Average Salary	*$60,963*	*$72,183*	*$0*	*$0*	*$0*	*$0*
30-34	**Count of Members**	15,606	10,861	1,290	0	0	0
	Average Salary	*$65,824*	*$77,963*	*$87,136*	*$0*	*$0*	*$0*
35-39	**Count of Members**	10,823	8,813	9,720	1,554	0	0
	Average Salary	*$66,089*	*$79,560*	*$90,125*	*$102,230*	*$0*	*$0*
40-44	**Count of Members**	9,018	6,495	6,717	13,497	2,463	2
	Average Salary	*$63,443*	*$76,920*	*$90,933*	*$105,372*	*$118,202*	*$112,564*
45-49	**Count of Members**	7,162	5,482	4,107	7,795	16,292	2,164
	Average Salary	*$60,776*	*$73,575*	*$88,563*	*$107,330*	*$120,588*	*$127,608*
50-54	**Count of Members**	5,551	4,797	3,238	4,487	9,915	12,829
	Average Salary	*$56,466*	*$67,739*	*$82,763*	*$101,623*	*$121,193*	*$129,683*
55-59	**Count of Members**	4,244	3,693	2,637	3,398	5,388	8,205
	Average Salary	*$56,312*	*$62,511*	*$75,886*	*$91,713*	*$113,182*	*$127,793*
60-64	**Count of Members**	2,594	1,954	1,414	2,216	3,001	2,842
	Average Salary	*$50,889*	*$58,820*	*$70,645*	*$82,906*	*$102,771*	*$120,358*
65-69	**Count of Members**	1,133	651	442	752	953	633
	Average Salary	*$48,368*	*$59,005*	*$66,524*	*$80,454*	*$90,105*	*$106,966*
70+	**Count of Members**	630	259	211	224	237	224
	Average Salary	*$46,005*	*$58,832*	*$58,208*	*$80,778*	*$88,554*	*$96,019*
Total	**Count of Members**	93,190	44,683	29,776	33,923	38,249	26,899
	Average Salary	*$60,897*	*$75,093*	*$87,228*	*$101,845*	*$117,228*	*$127,156*

Active Members Age and Service Averages

		6/30/2025	6/30/2024	Change
Average Age	Female	44	44	— %
	Male	44	44	— %
	X	30	31	(3.23)%
Average Years of Service	Female	12	12	— %
	Male	13	13	— %
	X	1	0	N/A

Active Members Age and Service Distribution (continued)

Age		Years of Credited Service 31-35	36-40	41-45	46-50	51+	Total
20-24	Count of Members	0	0	0	0	0	11,735
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$47,941*
25-29	Count of Members	0	0	0	0	0	26,372
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$62,096*
30-34	Count of Members	0	0	0	0	0	27,757
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$73,756*
35-39	Count of Members	0	0	0	0	0	30,910
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$82,477*
40-44	Count of Members	0	0	0	0	0	38,192
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$93,768*
45-49	Count of Members	1	0	0	0	0	43,003
	Average Salary	*$153,803*	*$0*	*$0*	*$0*	*$0*	*$105,972*
50-54	Count of Members	1,196	3	0	0	0	42,016
	Average Salary	*$132,505*	*$174,006*	*$0*	*$0*	*$0*	*$112,637*
55-59	Count of Members	4,262	281	0	0	0	32,108
	Average Salary	*$133,908*	*$135,329*	*$0*	*$0*	*$0*	*$110,275*
60-64	Count of Members	1,091	693	39	0	0	15,844
	Average Salary	*$131,195*	*$137,535*	*$138,095*	*$0*	*$0*	*$99,681*
65-69	Count of Members	235	152	99	7	0	5,057
	Average Salary	*$109,680*	*$131,699*	*$131,738*	*$177,108*	*$0*	*$88,766*
70+	Count of Members	110	55	42	37	30	2,059
	Average Salary	*$97,037*	*$100,835*	*$132,323*	*$140,506*	*$192,886*	*$89,229*
Total	Count of Members	6,895	1,184	180	44	30	275,053
	Average Salary	*$131,847*	*$134,704*	*$133,261*	*$146,329*	*$192,886*	*$95,075*

		6/30/2025	6/30/2024	Change
Covered Payroll		$19,635,000,897	$19,093,538,203	2.84 %
Average Earnings - All Active Members	All Tiers	$85,438	$83,544	2.27 %
Average Earnings - Full Time Active Members	All Tiers	$95,075	$92,883	2.36 %
	Tier 1	$137,698	$137,810	(0.08)%
	Tier 2	$126,153	$122,629	2.87 %
	Tier 3	$114,656	$111,398	2.92 %
	Tier 4	$112,414	$108,598	3.51 %
	Tier 5	$89,012	$84,838	4.92 %
	Tier 6	$68,531	$65,744	4.24 %

Fiscal Year Ending June 30, 2025 Active Employee Contributions by Tier

Tier	Contribution Rate	Member Count	Member Percent
Tier 1 - 4	0.00%	137,457	50%
Tier 5	3.50%	10,526	4%
Tier 6	3.00%	68,514	25%
Tier 6	3.50%	15,073	5%
Tier 6	4.50%	24,519	9%
Tier 6	5.75%	12,458	5%
Tier 6	6.00%	3,530	1%
Tier 6	N/A	2,976	1%
Total		275,053	

Average Service* by Tier

	6/30/2025	6/30/2024	Change
Tier 1	33-1	32-5	2.06 %
Tier 2	27-6	27-1	1.54 %
Tier 3	28-3	28-4	(0.29)%
Tier 4	20-4	19-8	3.39 %
Tier 5	11-5	10-5	9.60 %
Tier 6	4-0	3-6	14.29 %
Total	12-5	12-5	— %

*Based on 9 months equating to a full year of service credit

Members by Tier

Tier	Active Members	Retired Members and Beneficiaries	Total Members
Tier 1	59	70,149	70,208
Tier 2	75	16,231	16,306
Tier 3	312	20,659	20,971
Tier 4	137,011	77,158	214,169
Tier 5	10,526	334	10,860
Tier 6	127,070	390	127,460
Total	275,053	184,921	459,974

New Retired Members' Characteristics by Year of Retirement

Retired in Fiscal Year Ended	Number of Retired Members	Average Age at Retirement (yrs.- mos.)	Average Service at Retirement (yrs.- mos.)	Average Final Average Salary	Average Maximum Annual Benefit
2016	6,245	61-2	25-0	$84,308	$44,215
2017	6,396	61-3	25-0	85,242	45,049
2018	6,416	61-1	25-1	86,910	45,725
2019	6,890	61-0	25-1	87,085	45,713
2020	7,642	61-4	25-8	90,228	48,273
2021	7,617	61-5	26-3	91,713	49,145
2022	7,135	61-3	25-7	92,434	48,724
2023	6,680	61-0	25-5	94,394	49,794
2024	6,227	60-11	25-8	97,018	51,712
2025	6,915	60-10	26-0	101,153	54,324

**Averages are for service and vested retirees.*

All Retired Members' Characteristics

	6/30/2025	6/30/2024	Percent Change
Service Retirements[1]			
Number	175,293	173,055	1.29%
Average Attained Age[2]	74-05	74-02	0.45%
Average Benefit[3]	$46,263	$45,608	1.44%
Disability Retirements			
Number	1,969	1,990	(1.06)%
Average Attained Age	66-11	66-07	0.67%
Average Benefit[3]	$23,805	$23,524	1.19%

[1]Also includes vested retirees.
[2]Average Attained Age as of fiscal year end is displayed in years and months as YY-MM.
[3]The Maximum, even though the member may have chosen an option.

Retirement Benefit Options and Percent of Election (2021 - 2025 Retirees)

Option	Number Electing	Percent of Election
Maximum	20,142	58.26 %
Annuity/Declining Reserve	7	0.02 %
Joint & Survivor	3,192	9.23 %
Pop-Up	8,884	25.70 %
Guarantee	996	2.88 %
Alternative	1,353	3.91 %
Total	**34,574**	**100.00 %**

ASSET ALLOCATION

The table below displays the Retirement System's asset allocation targets, ranges, and actual allocation percentages for the June 30, 2025 actuarial valuation. No changes have been made between June 30, 2025 and the time of this report. System asset values are frequently reviewed, and assets are periodically rebalanced in line with the asset allocation targets and ranges.

	Target	Range	Actual
Equity			
Domestic Equity	33%	29 – 37%	32.8%
International Equity	15%	11 – 19%	15.6%
Global Equity	4%	0 – 8%	4.5%
Real Estate Equity	11%	6 – 16%	10.4%
Private Equity	9%	4 – 14%	9.8%
Total Equity	72%		73.1%
Debt			
Domestic Fixed Income	16%	12 – 20%	14.8%
High-Yield Bonds	1%	0 – 3%	0.9%
Global Fixed Income	2%	0 – 4%	2.0%
Real Estate Debt	6%	2 – 10%	5.9%
Private Debt	2%	0.5 – 5%	1.9%
Cash Equivalents	1%	0 – 4%	1.4%
Total Debt	28%		26.9%

<u>Changes to the Asset Allocation between June 30, 2024 and June 30, 2025</u>

None

GLOSSARY: DEFINITION OF ACTUARIAL TERMS

Actuarial Accrued Liability (AAL)
Value of benefits earned to date of current plan participants, allocated under the Entry Age Normal Actuarial Funding Method.

Actuarial Assumptions
Estimates of future experience of the plan. Assumptions fall into two broad categories: Economic assumptions (valuation interest rate, salary scale, inflation) and Demographic assumptions (mortality, retirement, disability, termination).

Actuarial Gain / Loss
The difference between what was expected to happen under the actuarial assumptions and what actually happened including the impact of any changes in actuarial assumptions, methods or plan changes.

Actuarial Value of Assets
The value of the plan's assets determined by applying a smoothing method. The smoothing method dampens short-term fluctuations in investment markets by spreading gains and losses over the smoothing period.

Aggregate Funding Method
A method which determines the actuarial contribution rate by comparing the Present Value of Benefits to the Actuarial Value of Assets and then spreading this difference over the working lifetimes of the current active members as a level percentage of future payroll.

Entry Age Normal Actuarial Funding Method
A method which allocates the Present Value of Benefits over a member's working career in a level pattern.

Excess Benefit Plan Rate
Pay-as-you-go rate representing the contribution required to cover expected benefit payments in excess of the Internal Revenue Code Section 415 limits. A separate fund is maintained for payment of benefits and was established in accordance with final IRS approval in August 2001.

Administrative Rate
Pay-as-you-go rate representing the administrative cost of the Retirement System which is set during the budget process.

Funded Percentage
The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.

Group Life Insurance Rate
Pay-as-you-go-rate representing the expected benefit payments on account of the first $50,000 of member death benefits.

Normal Rate
The annual cost of accruing active member benefits as well as actuarial gains and losses.

Present Value of Benefits (PVB)
Value of the total benefits, benefits earned to date plus those expected to be earned for future service, of current plan members, discounted to the valuation date using actuarial assumptions.

New York State Teachers' Retirement System

Final Employer Contribution Rate

Melody Prangley, FSA, EA, FCA, MAAA
Chief Actuary

Tom King, FSA, EA, CERA, CFA
Director of Actuarial Risk

June 30, 2025 ECR Timeline

- **June 30, 2025** — Fiscal Year End
- **Summer 2025** — Data Reconciliation
- **October 2025** — Board meeting to present the estimated range of the 2025 ECR
- **Fall 2025** — Detailed liability review including gain-loss analysis and test lives review
- **January 2026** — Board meeting to present the estimated single 2025 ECR
- **April 2026** — Finalize reporting and administrative budget
- **July 2026** — Board meeting to adopt the final 2025 ECR
- **Fall 2027** — Contributions collected based on salaries earned in 2026-2027 multiplied by the final 2025 ECR

Final Employer Contribution Rate (ECR)

June 30, 2025 Actuarial Valuation

8.24% of Pay

A decrease of approximately 14% over prior year's ECR of 9.59%

Does <u>not</u> include Tier 6 legislation

ECR Components

Normal Rate = $\frac{\text{(Liability – Assets - Receivables)}}{\text{Present Value Future Salaries}}$	7.76%
Expense Rate (Set through Budget process)	0.35%
Group Life Rate	0.13%
Excess Benefit Plan Rate	0.00%
Final June 30, 2025 ECR	**8.24%**

Liability Calculation – ECR

- The Normal Rate is 7.76%
- The liability used to calculate the Normal Rate is the **Present Value of Benefits** which:
  - Projects salary through retirement with the salary assumption
  - Projects **service through retirement** with the retirement assumption - reflects benefits expected but not yet earned

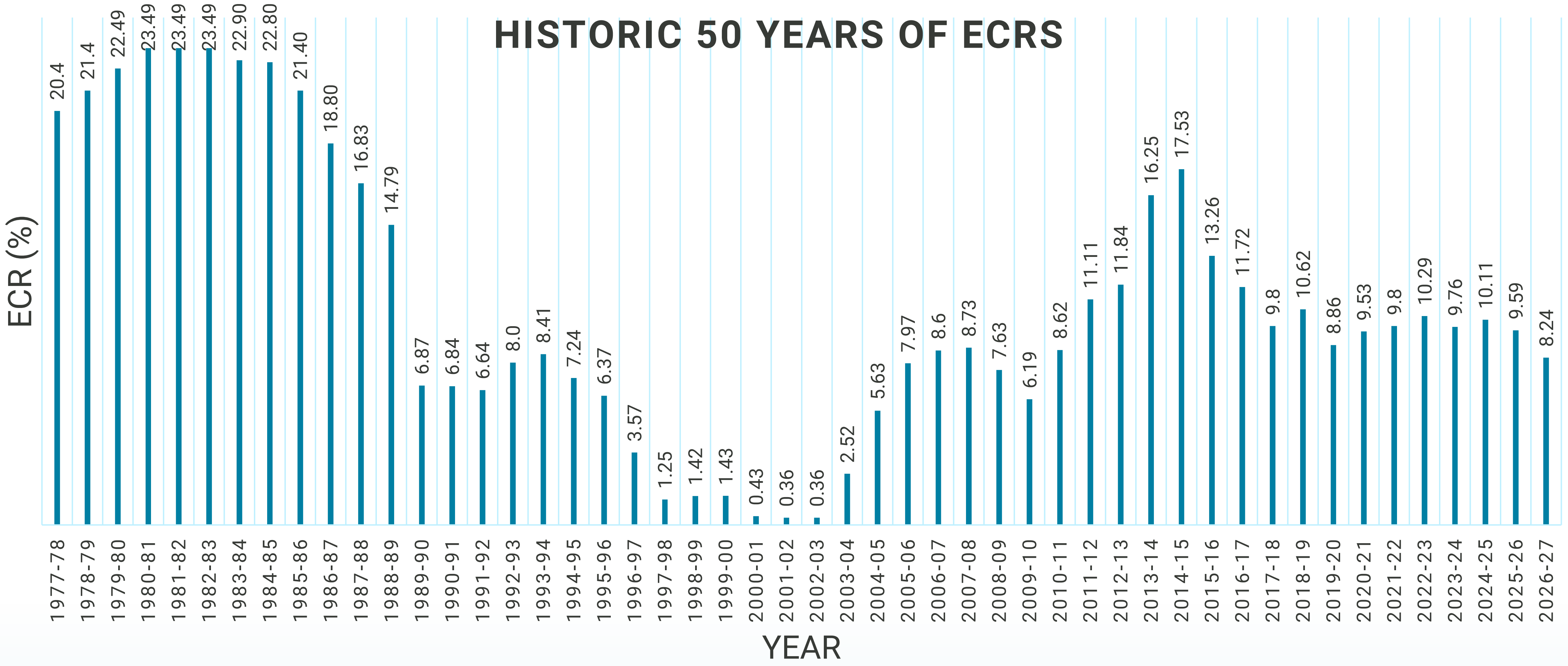
Present Value of Benefits	$165.3B
Less: Assets (AVA without GLIF)	(149.0)
Less: Receivables	(5.5)
Amount to be funded	$10.9B
Spread over future salaries	$140.2B
Normal Rate for ECR	7.76%

Employer Contribution in Dollars

Collection Date	Employer Contribution	ECR
Fall 2022	$1.7 billion	9.80%
Fall 2023	$1.9 billion	10.29%
Fall 2024	$1.9 billion	9.76%
Fall 2025	$2.0 billion	10.11%
Fall 2026	$1.9 billion (estimated)	9.59%
Fall 2027	$1.7 billion (estimated)	8.24%

The 8.24% ECR is multiplied by the 2026-2027 fiscal year salaries and collected in Fall 2027 (September, October and November 2027)

Historic ECRs



50-year average ECR: 10.91%
Average ECR: 10.84%

Funded Ratio History

The Funded Ratio is the ratio of plan assets to the plan's accrued liability. The funded ratio is calculated based on the Market Value of Assets (MVA) and the Actuarial Value of Assets (AVA).

FYE	Funded Ratio Based on MVA	Funded Ratio Based on AVA
6/30/2021	113.0%	99.3%
6/30/2022	97.4%	99.3%
6/30/2023	98.2%	98.6%
6/30/2024	101.5%	99.1%
6/30/2025	103.3%	100.2%

Liability Calculation – Funded Ratio

- The funded ratio is 100.2% - NYSTRS remains fully funded
- The Liability used to calculate the Funded Ratio is the **Entry Age Normal Accrued Liability** which:
  - Projects salary through retirement with the salary assumption
  - **Service earned through the valuation date (no projection)** – reflects benefits already earned through the valuation date

Entry Age Normal Accrued Liability	$149.2B
Assets (AVA with GLIF)	149.5B
Funded Ratio:	**100.2%**

Totals may not sum due to rounding

Preliminary 6/30/2026 Assets

Market Value of Assets

As of:	Market Value of Assets (in Billions)
June 30, 2022	$132.0
June 30, 2023	$137.2
June 30, 2024	$145.8
June 30, 2025	$154.2
June 30, 2026*	$169.8

Five-Year Period 2022 – 2026 (in Billions)		
Benefit Payments and Expenses	Employer Contributions Collected	Member Contributions Collected
$42.8	$9.4	$1.3

*Based on estimated 6/30/2026 Real Estate and Private Equity values

Historic Rates of Return – Last Five Years

Fiscal Year	Rate of Return (net of fees)
2020 – 2021	29.0%
2021 – 2022	-7.1%
2022 – 2023	9.0%
2023 – 2024	11.4%
2024 – 2025	10.6%
5-year average:	**10.0%**

The 5-year geometric average is calculated as $[(1.29)\text{x}(0.929)\text{x}(1.09)\text{x}(1.114)\text{x}(1.106)]^{(1/5)} - 1 = 10.0\%$.

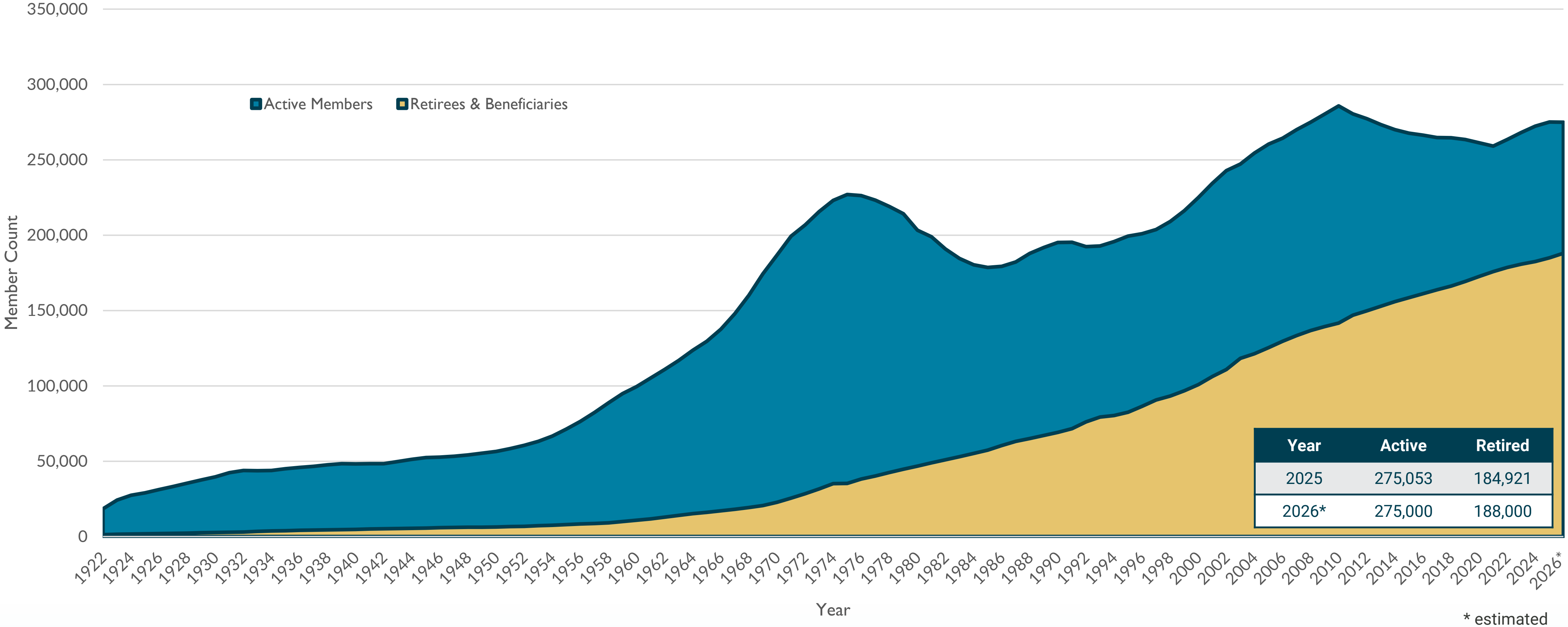
Benchmark Rates of Return for FYE 6/30/26

- NYSTRS long-term target investment return is 6.95%
- Despite periods of heightened volatility, U.S. and international equity markets ended the fiscal year with strong positive returns
- NYSTRS' rate of return for FYE 6/30/26 will be finalized in October 2026

2025-2026 Fiscal Year Benchmark Rates of Return		
Domestic Equity Index	S&P 1500	22.87%
International Equity Index	ACWI ex-US	27.66%
Fixed Income Index	Bloomberg Aggregate Float	3.71%

Preliminary June 30, 2026 Member Data

Active and Retired Member Counts

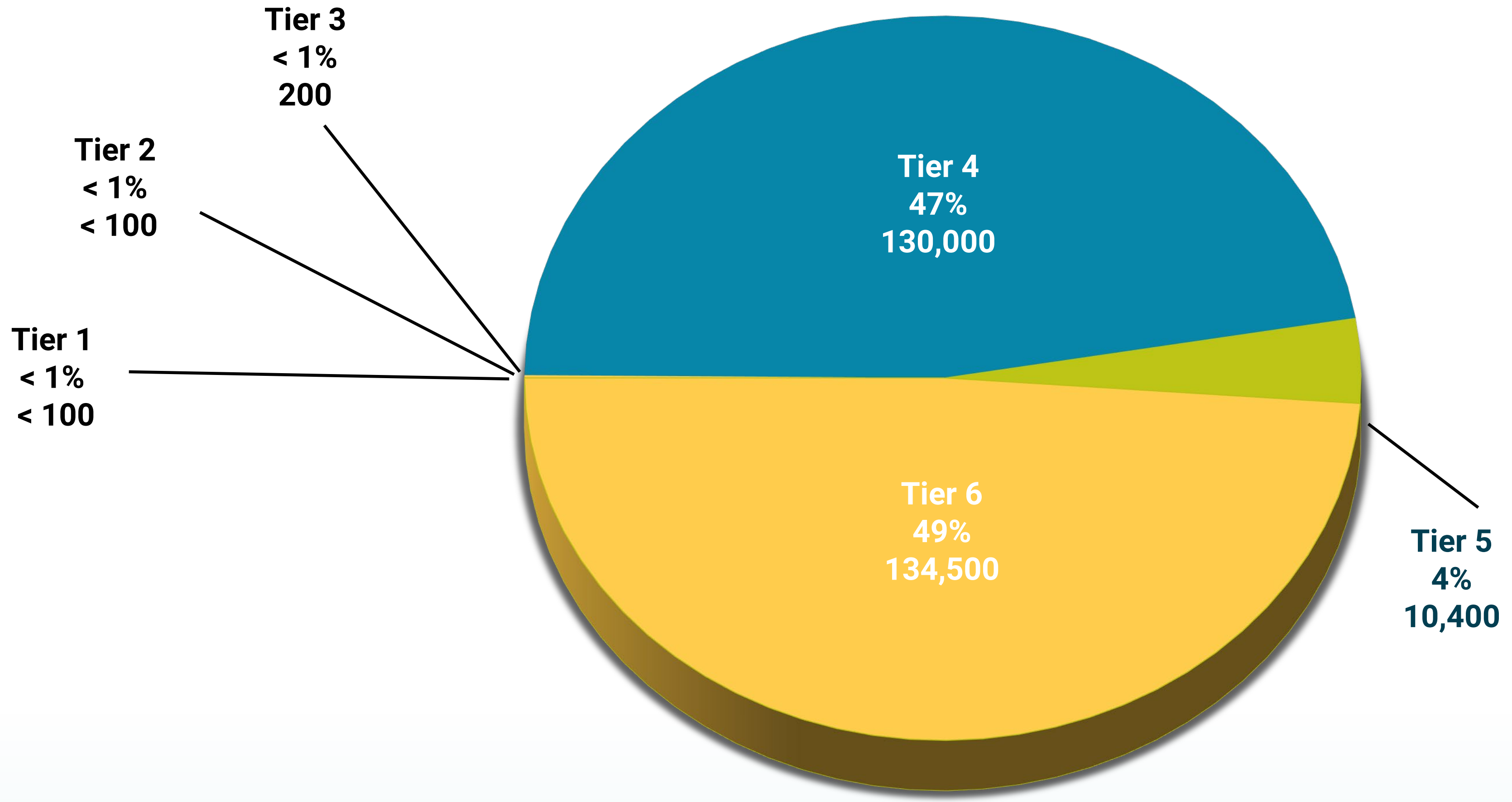


Year	Active	Retired
2025	275,053	184,921
2026*	275,000	188,000

* estimated

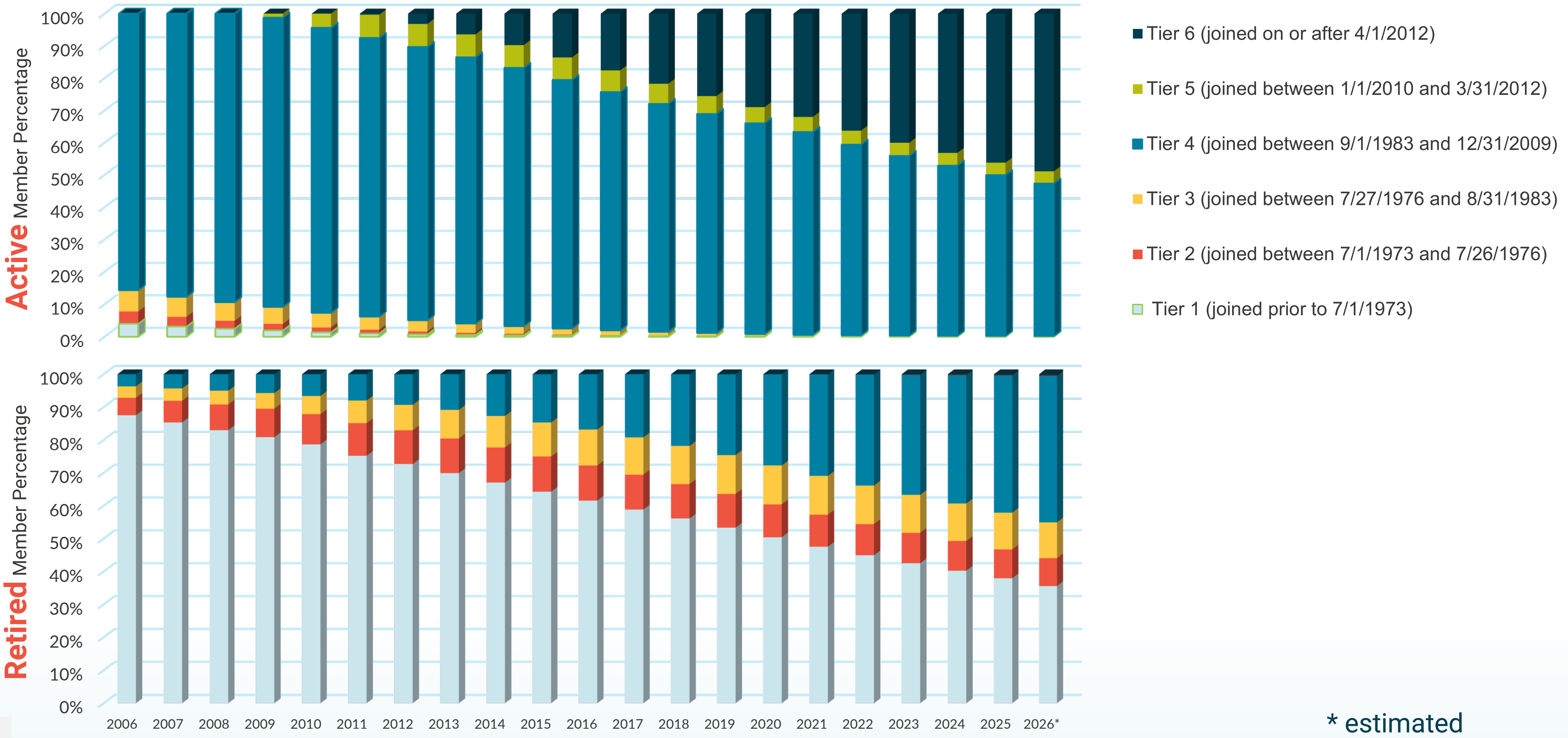
The System has matured substantially over time. In 2026, the number of retirees increased by approximately 3,000, while the active membership remained relatively unchanged from 2025.

Distribution of Active Members by Tier June 30, 2026*



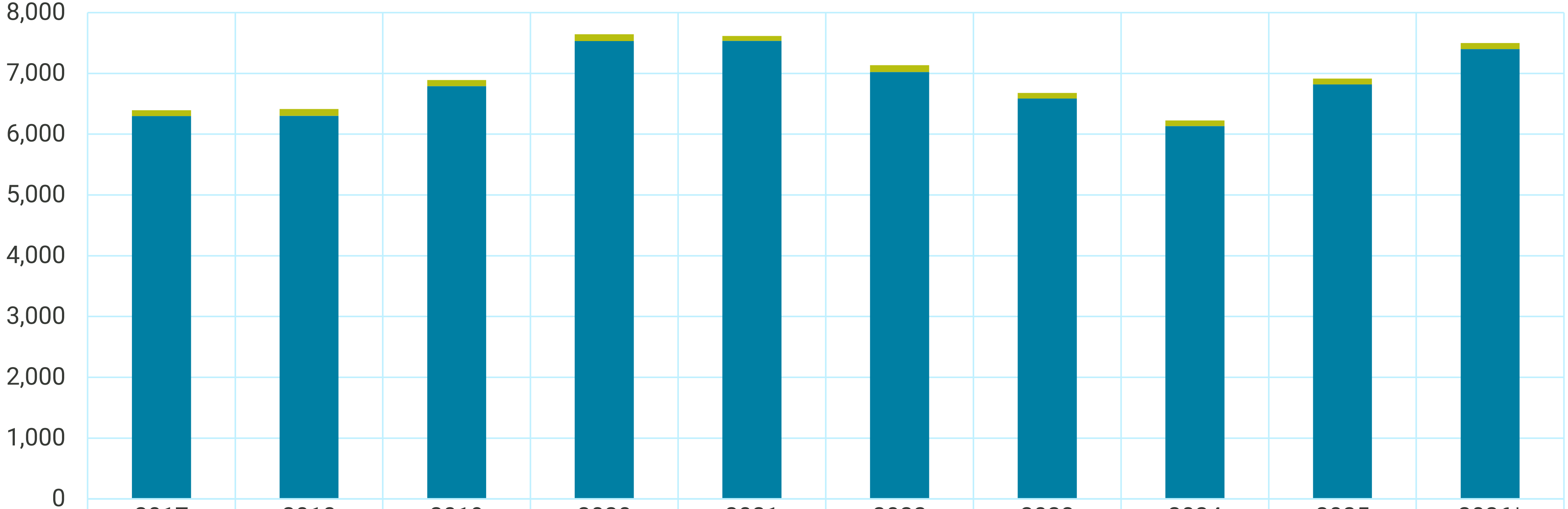
* estimated

Number of Members by Tier



* estimated

Number of Retirements

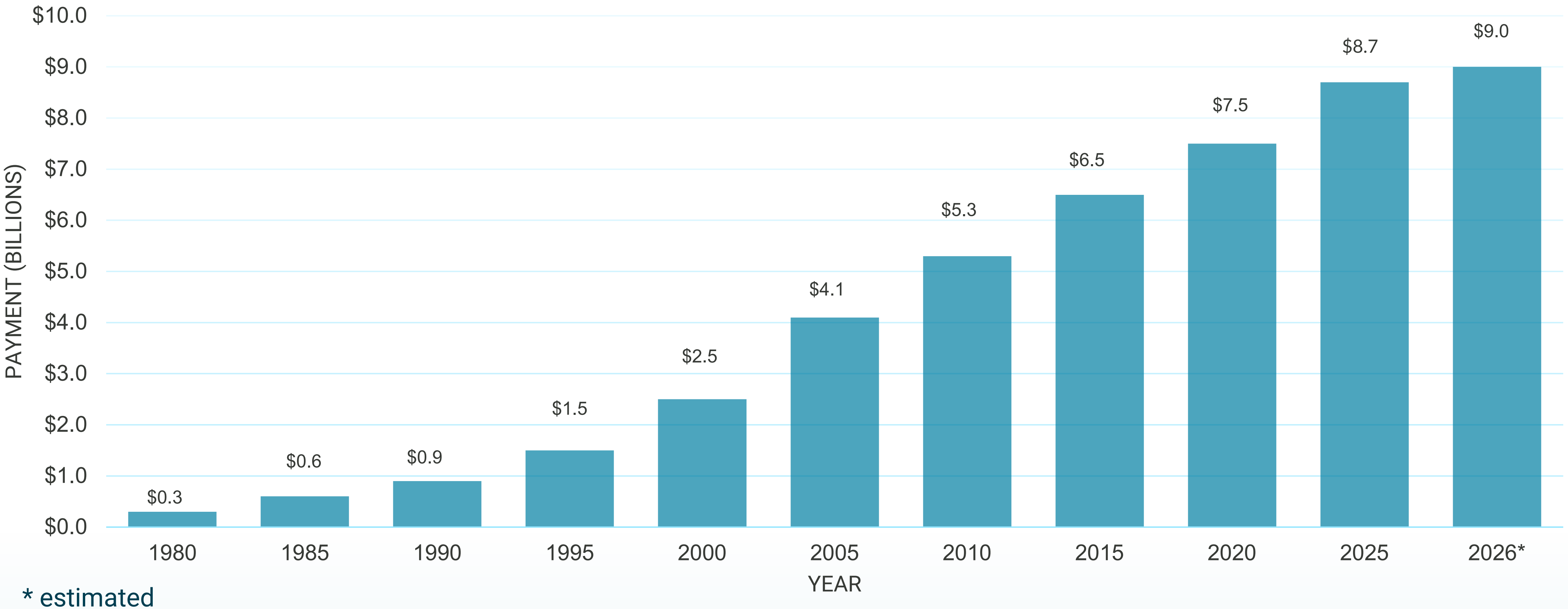


	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
Disability Retirements	97	115	98	111	80	110	93	94	95	100
Service Retirements	6,299	6,301	6,792	7,531	7,537	7,025	6,587	6,133	6,820	7,400

Service Retirements Disability Retirements

* estimated

Annual Benefit Payments



* estimated

Monthly COLA Increases

	Commencing September 2026	Commencing September 2025
CPI Percentage Change for Year ended March 31	3.26%	2.39%
Applicable COLA Percentage	1.7%	1.2%
Maximum Monthly COLA Increase based on Annual Benefit Amount of $18,000	$25.50	$18.00
Cumulative Maximum Monthly COLA (back to Sept. 2001)	$552.00	$526.50

Cost-of-living increases are paid to eligible retired members (generally the later of age 62 and retired for 5 years) and are increased each September. The annual COLA percentage is equal to 50% of the increase in the annual CPI, not to exceed 3% nor to be lower than 1%. The percentage is applied to the first $18,000 of the maximum annual benefit.

New Tier 6 Legislation

- Tier 6 legislation increases the Employer Contribution Rate (ECR) beginning with the 6/30/2026 valuation by approximately 0.46% of pay, or $94.9 million per year
- The Tier 6 legislation was integrated into the following Asset-Liability results, impacting plan liabilities and future cash flows modestly
- The Recommendation from April is unchanged

Summary of legislation:

Legislation Change	Impact
Earlier unreduced retirement eligibility	Members with 30+ years may retire without reduction at age 58 instead of 63
Contribution rate extension	Tier 6 member contribution rates continue to be based solely on annual wages through FY 2028 (exclusion of extracurricular pay)

Risk Measures 6/30/2025

Based on Actuarial Standards of Practice

Actuarial Standard of Practice 51 Risk Scorecard

The 6/30/2025 NYSTRS risk measures are all indicative of, and consistent with, a well-funded Retirement System

Risk Measure	6/30/2025	10-Yr Avg	Comment
Asset Volatility Ratio = Market Value of Assets / Payroll	7.9	7.5	The greater a plan's assets are relative to payroll, the more prone the plan is to ECR swings due to investment volatility.
Liability Volatility Ratio = Accrued Liability / Payroll	7.6	7.4	The greater a plan's liabilities are relative to payroll, the more prone the plan is to ECR swings due to plan experience or assumption changes.
Cash Flow Ratio = (contributions minus ben. pmt's plus expenses) / Market Value Assets	-4.2%	-4.4%	As a mature, well funded plan, NYSTRS has a negative cash flow as contributions coming in are less than benefits being paid out. This is typical of a well funded plan and to be expected.

Sensitivity Analysis

Assumption	Adjustment	Resulting ECR
Current		8.24%
Valuation Rate of Interest	Decrease from 6.95% to 6.70%	11.43%
Valuation Rate of Interest	Decrease from 6.95% to 6.45%	14.71%
Salary Scale	Decrease of 10%	7.27%
Salary Scale	Increase of 10%	9.19%
Service Retirement Rates	Decrease of 10%	7.66%
Service Retirement Rates	Increase of 10%	8.71%
Healthy Annuitant Mortality	Decrease of 10%	10.02%
Healthy Annuitant Mortality	Increase of 10%	6.61%

- The ECR is sensitive to changes in the actuarial assumptions and is very sensitive to changes in the valuation rate of interest.
- Prolonged periods of experience different than expected can lead to notable increases in the ECR.

Questions

Actuarial Certification

The actuarial calculations contained in this report rely on member data provided by the participating employers to the Retirement System's administrative staff. The administrative and actuarial staff review this data for reasonability and completeness as well as reconcile it against prior data. In addition, the valuation relies on financial data provided by the Retirement System's Finance Department. Data is reviewed by the Retirement System's independent auditors as part of the annual audit. We believe the data to be reasonable and appropriate for purposes of this valuation.

The benefits recognized in these projections are prescribed by New York State statute (Article 11 of the Education Law and Articles 11, 14, 15, 18, 19, and 20 of the Retirement and Social Security Law) and are summarized in Appendix 2 of the June 30, 2025 Actuarial Valuation Report. All benefits are included in the actuarial valuation.

Future actuarial measurements such as the funded ratio and employer contribution rate may differ significantly from the current measurements presented in this report due to such factors as: future experience that differs significantly from that predicted by the actuarial assumptions; changes in the actuarial assumptions or methods; and changes in plan provisions or applicable law.

The actuarial methods, calculations, and actuarial assumptions are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures. The actuarial assumptions, as adopted by the Retirement Board and used in determining the liabilities and costs, are internally consistent and reasonably related to actual and anticipated future experience of the Retirement System. The undersigned are members of the American Academy of Actuaries and the Society of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries.

Melody Prangley, FSA, EA, MAAA, FCA	Chief Actuary
Thomas M. King, FSA, EA, CERA, CFA	Director of Actuarial Risk

Board Meeting July 29, 2026

EMPLOYER CONTRIBUTION RATE

WHEREAS, The Actuary has presented to the Board the calculations based upon the June 30, 2025 actuarial valuation of the Retirement System's assets and liabilities, therefore, be it

RESOLVED, That the employer rate of contribution levied in the school year 2027-28 shall be 8.24% of the 2026-27 member payroll and shall be comprised as follows:

Normal Rate, 7.76% of payroll, credited to the Pension Accumulation Fund

Group Life Insurance Rate, 0.13% of payroll, credited to the Group Life Insurance Fund

Expense Rate, 0.35% of payroll, credited to the Expense Fund

Excess Benefit Plan Rate, 0.00% of payroll, credited to the Excess Benefit Plan Fund