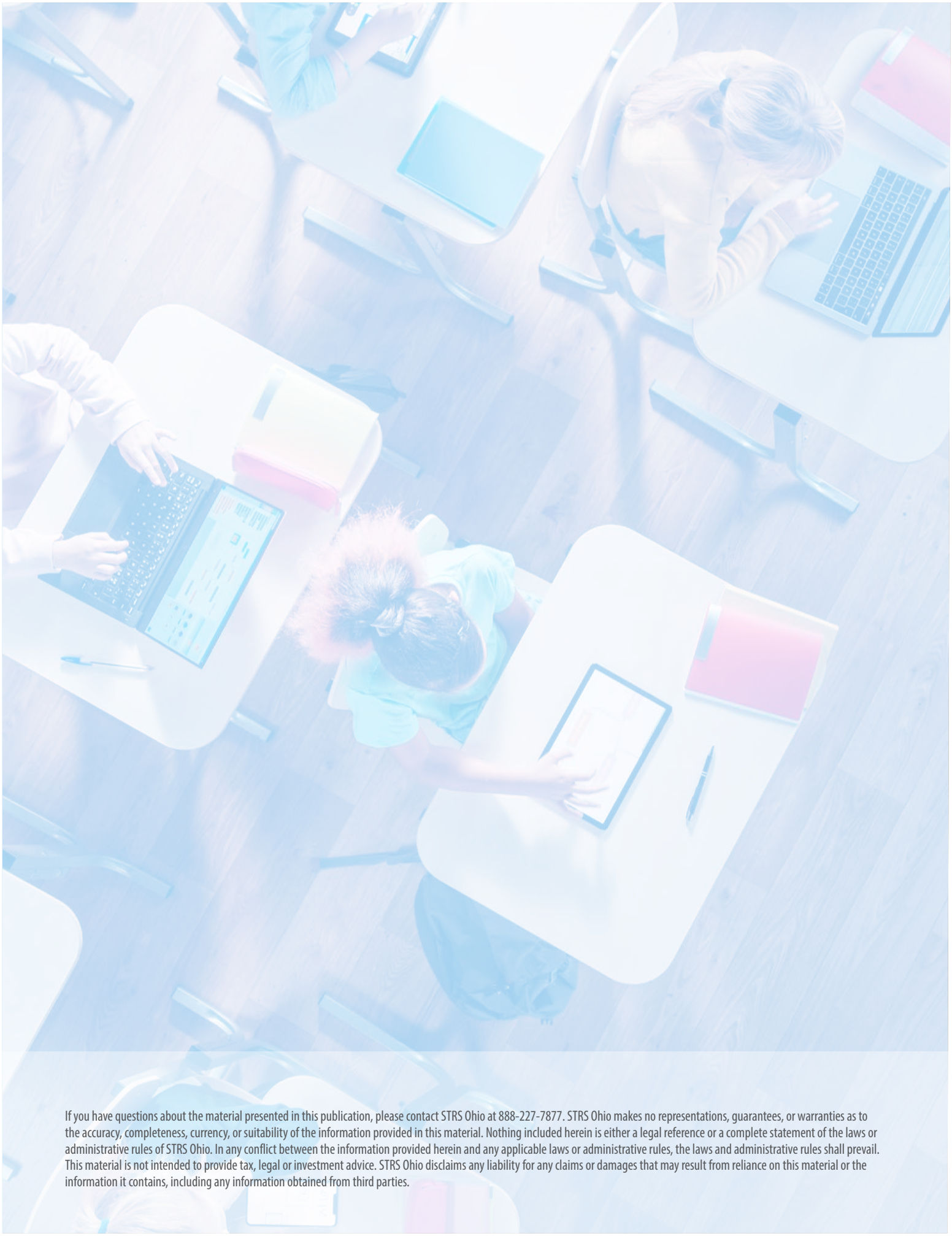
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Annual Comprehensive Financial Report 2025

Fiscal Years Ended June 30, 2025 and 2024



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STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Annual Comprehensive Financial Report 2025

Fiscal Years Ended June 30, 2025 and 2024

Prepared through the joint efforts of the STRS Ohio staff and Finance Department
275 E. Broad St., Columbus, OH 43215-3771 • 614.227.4090 • www.strsoh.org

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State Teachers Retirement System of Ohio

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

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STATE TEACHERS RETIREMENT BOARD

The State Teachers Retirement Board is the governing body of the State Teachers Retirement System of Ohio (STRS Ohio). It provides the direction, fiduciary oversight and policies that enable STRS Ohio to fulfill its mission.

The State Teachers Retirement Board consists of five elected contributing teacher members, two elected retired teacher members, three appointed investment experts (selected by the governor, the speaker of the House and the Senate president jointly, and the treasurer of state), and the director of the Department of Education and Workforce or their designee. Board members serve without compensation other than actual, necessary expenses.

The state budget bill, House Bill 96 (HB 96), included amendments to Ohio law affecting STRS Ohio. A lawsuit is pending which challenges the constitutionality of certain HB 96 amendments and a preliminary injunction is currently in place. The proposed amendments as related to STRS Ohio board composition would update the composition through a gradual phase-in. By Sept. 1, 2028, the board would consist of three elected members (two contributing teacher members and one retired teacher member), six appointed members (selected by the Governor (1), the speaker of the House (1), Senate president (1), the speaker of the House and Senate president jointly (1), and the treasurer of state (2), the Director of the Department of Education and Workforce or their designee, and The Chancellor of Higher Education or their designee.

Included in the legislative changes, board members would be entitled to $200 for each regular board meeting attended, provided that no member shall be entitled to more than $400 per month, health care benefits comparable to those generally available to employees of STRS Ohio, and actual, necessary expenses.

Rudy H. Fichtenbaum, Chair
Retired teacher member since 2021. Term extends through Aug. 31, 2029.

Pat Davidson, Vice Chair
Contributing member since 2023. Berea City Schools, Cuyahoga County. Term extends through Aug. 31, 2027.

Jonathan A. Allison
Appointed by the governor of the state in 2024. Term extends through Sept. 27, 2028.

Lynn Sautter Beal
Appointed jointly by the speaker of the House and the Senate president in 2025. Term extends through May 26, 2029.

Stephen D. Dackin
Director of the Department of Education and Workforce. Ex officio member of the board since appointed to office in 2023.

Alison Lanza Falls
Appointed by the treasurer of state. Term extends through Feb. 9, 2027.

Michelle Flanigan
Contributing member since 2024. Brunswick City Schools, Medina County. Term extends through Aug. 31, 2028.

Michael Harkness
Contributing member since 2024. Akron Public Schools, Summit County. Term extends through Aug. 31, 2029.

Elizabeth Jones
Retired teacher member since 2022. Term extends through Aug. 31, 2026.

Julie Sellers
Contributing member since 2022. Cincinnati Federation of Teachers, Hamilton County. Term extends through Aug. 31, 2026.

Chad Smith
Contributing member since 2025. Columbus City Schools, Franklin County. Term extends through Aug. 31, 2029.

ADVISORS TO THE STATE TEACHERS RETIREMENT BOARD

Independent Auditor
Crowe LLP

Investment Consultants
Callan Associates, Inc.
Meketa Investment Group

Actuarial Consultant
Cheiron

Performance Verification Consultant
ACA Group, Performance Services Division

Private Market Fee Validation Services
Albourne America LLC

See Pages 65 and 67 for a list of investment commissions, fees and external asset managers.

STRS Ohio Mission and Vision

The **mission** of STRS Ohio is to provide Ohio's public educators a foundation for their financial security.

The **vision** of STRS Ohio is to serve current and future Ohio public educators and their loved ones.

STRS Ohio Guiding Principles

Integrity — Be authentic in our words and actions.

Transparency — Cultivate trust through open, consistent and responsive communications.

Accountability — Adhere to the highest standard of ethical conduct and take ownership of results.

Stewardship — Be prudent and responsible in the matters entrusted to our care.

Achievement — Build excellence through continuous improvement.

Respect — Value diversity in people and thought. Treat everyone with dignity.

Investment in people — Attract, retain, develop and empower motivated associates.

STRS Ohio Senior Staff Members

Internally, STRS Ohio is managed by an executive director, three deputy executive directors and seven senior staff members, and employs about 500 associates.

Steven C. Toole, Executive Director

Christina Elliott, Deputy Executive Director — Member Benefits and Chief Benefits Officer

Edward Gin, Deputy Executive Director — Finance and Chief Financial Officer

Aaron DiCenzo, Interim Deputy Executive Director — Investments and Chief Investment Officer

Wendie Ballard, Executive Coordinator

Marla E. Bump, Director, Governmental Relations

Sandra Lee Branch, Director, Human Resource Services

Dan H. Minnich, Chief Communication Officer

Robert L. Vance, Chief Audit Executive, Internal Audit

Stacey L. Wideman, Chief Legal Officer

Mary Wiedemer, Chief Information Officer

Dec. 11, 2025

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

275 East Broad Street
Columbus, OH 43215-3771
614-227-4090
www.strsoh.org

To our members, the Teachers' Retirement Board and other interested parties:

We are pleased to present the *Annual Comprehensive Financial Report* (ACFR) of the State Teachers Retirement System of Ohio for the fiscal year ended June 30, 2025. This report is intended to provide financial, investment, actuarial and statistical information in a single publication. STRS Ohio management is responsible for the accuracy of the data, as well as the completeness and fairness of the presentation.

STRS Ohio was established by law in 1919 — the first statewide, actuarially-based teacher retirement system in the United States. STRS Ohio is a cost-sharing, multiple-employer plan providing service retirement, disability and survivor benefits to teachers and faculty members of public boards of education, state-supported colleges and universities, and the state of Ohio and its political subdivisions. Optional health care coverage is available to eligible benefit recipients and their eligible dependents.

More analysis and information of the financial activities of STRS Ohio can be found in the Management's Discussion and Analysis section that begins on Page 10 of this report.

Key Activities in Fiscal 2025

Steven C. Toole named as STRS Ohio executive director

In June, the State Teachers Retirement Board named Steven C. Toole as the next permanent executive director of STRS Ohio. Toole joined STRS Ohio on July 14, replacing Aaron Hood, who has served as interim executive director since November 2024.

Toole served as executive director of the state of North Carolina's retirement systems from 2011 to 2019, where he led systems covering nearly one million current and retired public employees in the state. He also held senior management positions in the private financial services sector.

Board Approves Pension Benefit Improvement

In fiscal year 2025, the State Teachers Retirement Board has approved the following benefit changes for active and retired STRS Ohio members:

- A one-time supplemental benefit payment for eligible benefit recipients who started receiving benefits in or prior to January 2024. The supplemental benefit was paid in December 2024. Due to strong fiscal year 2024 investment returns, the board elected to use up to $306 million of the investment earnings for the payment.
- For eligible benefit recipients, the board approved a 1.5% one-time ad-hoc cost-of-living adjustment (COLA) in fiscal year 2026. Retirees who started receiving benefits on June 1, 2021, or earlier will receive a COLA that will be added to the base benefit on the retirement date anniversary and each month thereafter.
- For active members retiring between June 1, 2025, and May 1, 2030, the required years of service for an unreduced retirement benefit is lowered to 32 years from 33 years at any age. Eligibility for a reduced retirement benefit is lowered to 27 years of service from 28 years of service at any age.
- For active members retiring between June 1, 2030, and May 1, 2032, eligibility for unreduced benefits will be temporarily adjusted to 33 years of service. Eligibility for reduced benefits will be 28 years of service.
- Eligibility for unreduced benefits will return to a minimum of 34 years of service credit (29 years for reduced retirement benefits) effective June 1, 2032, going forward.

These changes were reviewed by the board's actuarial consultant, Cheiron, as part of STRS Ohio's Sustainable Benefit Plan (SBP). The SBP is a framework to help the board annually consider potential member benefit changes upon a determination by its actuary that the changes will not materially impair the fiscal integrity of the fund or are necessary to preserve the fiscal integrity of the fund.

Pension Fund Leadership Meets With Members at Town Hall Meetings Throughout Ohio

STRS Ohio leaders have been meeting with active and retired educators at town hall meetings across the state. The meetings feature a brief presentation to share information about the retirement system, followed by a question-and-answer period with members and retirees in attendance. The member interactions are helpful in providing valuable input and feedback and plans are to continue these meetings going forward. You can view videos of past town hall meetings and Q&As by topic in the News section on the STRS Ohio website at www.strsoh.org.

CEM Benchmarking Shows Low STRS Ohio Costs, Returns in the Top 25%

The CEM Benchmarking 2024 cost analysis showed STRS Ohio's investment costs were low compared to peers, primarily due to paying less than peers for similar services and a low-cost implementation style (managing over two-thirds of assets in-house). CEM indicated that

managing assets in-house saves STRS Ohio about $145 million annually. The study also showed STRS Ohio's five-year annualized total fund net return was above the U.S. public median and U.S. peer median returns.

CEM Benchmarking Report Highlights the High Quality of Member Services

CEM Benchmarking released its 2024 pension administration report, which highlighted the excellent level of service STRS Ohio provides its members while keeping costs low. STRS Ohio Member Services ranked first amongst a peer group of 68 global pension systems for its overall total service score. The structure of the report was updated this year to represent the changing digital landscape of service delivery.

Management Responsibility and Report Contents

This report consists of management's representations regarding STRS Ohio's finances. Management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of STRS Ohio's financial statements in conformity with generally accepted accounting principles. The internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that, first, the cost of a control should not exceed the benefits likely to be derived, and second, the valuation of the cost and benefits requires estimates and judgments by management. We, as management, believe that the internal controls currently in place support this purpose, and assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

STRS Ohio's external auditors, Crowe LLP, conducted an independent audit of the financial statements in accordance with auditing standards generally accepted in the United States. This audit and the financial statements are presented in the Financial Section, beginning on Page 8.

Investments

Total investments (including short-term investments) increased to $103.3 billion as of June 30, 2025. The Investment Review starting on Page 41 discusses the investment environment during fiscal 2025. The investment objectives and policies for the total fund are on Pages 44–52. The allocation of investment assets is designed to achieve the long-term actuarial objective at an acceptable level of risk. Investment risks are diversified over a very broad range of market sectors, securities and other investments. This strategy is intended to reduce portfolio risk to adverse developments in sectors and issuers experiencing unusual difficulties and offers opportunity to benefit from future markets. A summary of the asset allocation and other information can be found starting on Page 64.

The total fund delivered a 10.42% net return in fiscal 2025. International equities led all asset classes generating a 17.59% return while domestic equities returned 13.52%, alternative investments returned 7.94% and fixed income returned 6.79%. Real estate had a negative return of –1.51%. STRS Ohio's annualized total fund net return was 9.49% over the last three years and 10.29% for the last five years. STRS Ohio underperformed the benchmark returns of 10.76% and 9.70% for the one and three year periods respectively, while it outperformed the five year benchmark of 9.78%. STRS Ohio's external performance verification firm, ACA Group, completed an independent annual verification and performance examination on the total fund performance calculations and return in accordance with the Global Investment Performance Standards (GIPS®). This verification and performance examination report is on Pages 54–62 and full performance disclosures are on Pages 63–64.

Plan Contributions

Member and employer contributions, as well as income from investments, provide funds for pension benefits and health care coverage. Member and employer contributions totaled $4.0 billion in fiscal 2025, an increase of $148 million over the prior year, driven by a 3.89% growth in payroll. Employer contributions include amounts paid by employers of participants in alternative retirement plans (ARPs). ARP participants are not members of STRS Ohio; however, their employers contribute 2.91% of salaries to STRS Ohio to help pay for unfunded liabilities.

Plan Deductions

The principal purpose for STRS Ohio is to provide retirement, survivor and disability benefits to qualified members and their beneficiaries. Plan deductions, including refunds to terminated members, optional health care coverage and administrative expenses, totaled $8.7 billion. Service retirement benefits increased 5.5% in fiscal 2025 and included a one-time supplemental benefit for eligible recipients who started receiving benefits in or prior to January 2024. Disability retirement benefits were $165 million in fiscal 2025, down slightly from $173 million in fiscal 2024. Other benefit payments were $41.9 million in fiscal 2025 compared to $36.9 million in fiscal 2024 that include payments to other retirement systems for joint credit and the proportionate share of OPERS net pension and retiree health care activity. Administrative expenses increased by $7.7 million, reflecting an increase in recruitment fees and temporary employment for high-level positions, the implementation of GASB 101, which established a significant update related to the accounting for compensated absences, and ongoing amortization and interest expense for GASB 96 over the reporting of subscription-based information technology arrangements.

Pension Funding Results

Contribution rates are intended to provide a level basis of funding using the entry age normal cost method, and an annual actuarial valuation is performed by STRS Ohio's external actuarial consultant, Cheiron. The June 30, 2025, valuation shows that the amortization period for the unfunded accrued liability increased to 11.8 years from 10.1 the prior year, and the ratio of actuarial value of smoothed assets compared to accrued liabilities reduced to 80.9% from 82.8% last year. For actuarial measurements, investment gains and losses are smoothed over four years to spread market volatility. When measured using the June 30, 2025, market value of assets, the funded ratio increased to 84.1% from 82.5%. A detailed discussion of funding is provided in the Actuarial Section of this report beginning on Page 68.

Retiree Health Care Program

The Health Care Fund net position increased to $5.5 billion as of June 30, 2025, from $5.2 billion the previous fiscal year, primarily as a result of net investment income in fiscal 2025. Government reimbursements totaled $148.1 million in fiscal 2025 compared to $91.9 million the prior year due to the increase in federal direct subsidies for the STRS Ohio Medicare Part D drug plan as part of the Inflation Reduction Act (IRA).

Payments for health care claims, net of health care premiums and provider administrative fees, totaled $357.1 million in fiscal 2025. The increase of $174.2 million or 95.3% from the previous fiscal year was primarily attributed to increased health care costs, coupled with decreasing premiums and vendor recoveries. The board continued the health care changes from fiscal 2024 with another year of premium decreases in the 2024 calendar year, along with the elimination of the in-network deductible and other enhancements for the Aetna Medicare Plan. Additionally, in early 2025, the board approved increases in subsidy levels for benefit recipients with retirement dates on or after August 1, 2023.

The June 30, 2025, annual health care actuarial valuation performed by Cheiron shows the funded ratio of the plan dropped to 128.3%, down from 158.0% as of June 30, 2024. Benefit payments for the 12-month period ended June 30, 2025, totaled $491.9 million — an average of about $1.3 million per day spent for health care program enrollees. The health care program does not receive employer contributions and is susceptible to volatility from investment returns, government reimbursement changes, enrollment fluctuations and health care inflation. A detailed discussion of funding is provided in the Actuarial Section of this report beginning on Page 78.

Certificate of Achievement and Other Awards

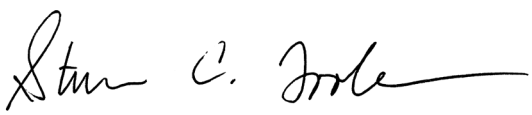
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to STRS Ohio for its *Annual Comprehensive Financial Report* for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report that conforms to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. STRS Ohio has received a Certificate of Achievement for the last 35 years. We believe our current report continues to meet the Certificate of Achievement program requirements and will be submitted to the GFOA.

In addition, the Public Pension Coordinating Council (PPCC) presented STRS Ohio with the 2024 Public Pension Standards Award for Administration in recognition of meeting professional standards set forth in the Public Pension Standards. PPCC is a coalition made up of the National Association of State Retirement Administrators (NASRA), the National Council on Teacher Retirement (NCTR) and the National Conference on Public Employee Retirement Systems (NCPERS).

Acknowledgments

The preparation of this report is possible only through the combined efforts of the STRS Ohio staff and finance department. It is intended to provide comprehensive and reliable information as a basis for making management decisions, complying with legal provisions and determining responsible stewardship of the assets contributed by members and their employers.

Respectfully submitted,



Steven C. Toole
Executive Director

Crowe

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Retirement Board
State Teachers Retirement System of Ohio
Columbus, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the State Teachers Retirement System of Ohio (STRS Ohio), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise STRS Ohio's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of STRS Ohio, as of June 30, 2025 and 2024 and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of STRS Ohio and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about STRS Ohio's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of STRS Ohio's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about STRS Ohio's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of changes in employers' net pension liability, employers' net pension liability, employers' contributions – pension, investment returns – pension, changes in employers' net OPEB liability (asset), employers' net OPEB liability (asset), employers' contributions – OPEB, investment returns – OPEB, and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the STRS Ohio's basic financial statements. The schedules of administrative expenses, internal investment expenses and external asset management fees are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of administrative expenses, internal investment expenses and external asset management fees are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introduction, Investments, Actuarial and Statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated, if, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025 on our consideration of STRS Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of STRS Ohio's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering STSR Ohio's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Columbus, Ohio
December 10, 2025

Management is pleased to provide this overview and analysis of the financial activities of the State Teachers Retirement System of Ohio (STRS Ohio) for the years ended June 30, 2025, and 2024. This information is intended to supplement the financial statements, which begin on Page 17 of this report. We encourage readers to consider additional information and data in this 2025 Annual Comprehensive Financial Report.

Since its beginning in 1919, STRS Ohio's primary goal has been to provide retirement benefits for public educators. STRS Ohio is a long-term investor with a long time horizon. It is investing money today that is used to pay the benefits earned by its members — but not all those benefits are due at once. Many STRS Ohio members are just entering the classroom and will not retire for many years.

STRS Ohio's asset allocation model is designed to provide the best long-term returns while managing risks to the system. Following the completion of an asset-liability study in fiscal 2022, the Retirement Board made slight adjustments to STRS Ohio's asset mix.

The system's funded status has improved over the past several years, but some vulnerability to future adverse experiences remains due to volatility in financial markets, inflation, a fixed employer contribution rate that is at the statutory maximum and negative cash flow due to being a mature fund. A fund reaches a mature stage when its liabilities (benefit payments to retirees) significantly exceed its contributions (from active members and employers).

The total fund net return in fiscal 2025 and 2024 was above the board's 7.0% assumed rate of return and over the long term, positive investment returns are a key component to help make up the difference between contributions and benefits.

A one-time supplemental benefit payment for eligible benefit recipients who started receiving benefits in or prior to January 2024 was paid December 2024. In fiscal 2025, the Retirement Board approved pension benefit plan changes.

For eligible benefit recipients, the board approved a 1.5% one-time ad-hoc COLA in fiscal year 2026 for retirees who started receiving benefits on or before June 1, 2021. For active members retiring between June 1, 2025, and May 1, 2030, the required years of service for an unreduced retirement benefit was lowered to 32 years from 33 years at any age and for a reduced retirement benefit was lowered to 27 years of service from 28 years of service at any age.

For active members retiring between June 1, 2030, and May 1, 2032, eligibility for unreduced benefits will be temporarily adjusted to 33 years of service. Eligibility for reduced benefits will be 28 years of service.

Eligibility for unreduced benefits will return to a minimum of 34 years of service credit (29 years for reduced retirement benefits) effective June 1, 2032, going forward.

The board reviews what, if any, pension benefit changes can be made on an annual basis while preserving the fiscal integrity of the system as determined by the board's actuary. The board has indicated its intent to review benefits again, no later than spring 2026, to evaluate whether additional pension benefit changes may be made in accordance with the laws in effect at that time.

The board continued the health care changes from fiscal 2024 with another year of premium decreases in the 2024 calendar year, along with the elimination of the in-network deductible and other enhancements for the Aetna Medicare Plan. Additionally, in early 2025, the board approved increases in subsidy levels for benefit recipients with retirement dates on or after August 1, 2023.

Financial Highlights

Highlights of the fiscal year include:

- The total fund net return was 10.42% in fiscal 2025. The total fund net return for fiscal 2024 was 10.53%. Five- and 10-year total fund net annualized returns are 10.29% and 8.52%, respectively. Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.
- The total fiduciary net position increased 5.9% from the prior fiscal year, ended at $101.8 billion as of June 30, 2025. Net position increased 5.6%, ended at $96.2 billion during fiscal 2024.
- The post-employment Health Care (HC) Fund net position was $5.5 billion as of June 30, 2025. The HC Fund balance increased 6.2% from the ending balance of $5.2 billion as of June 30, 2024, due primarily to investment performance.
- The Defined Contribution (DC) Plan finished fiscal 2025 with $3.6 billion in net position, an increase of 16.6% from the end of fiscal 2024.
- Total additions to fiduciary net position were $14.3 billion during fiscal 2025 compared to $13.2 billion during fiscal 2024.
- Member and employer contributions totaled $4.0 billion in fiscal 2025, an increase of $148 million over the prior year, driven by a 3.89% growth in payroll. Total member and employer contributions totaled $3.9 billion in fiscal 2024 and increased over fiscal 2023 by $120 million.
- Net investment income was $10.0 billion in fiscal 2025 compared to a net investment income of $9.1 billion in fiscal 2024. Investment performance for fiscal 2025 and 2024 was above the board's long-term investment return assumption of 7.00%.
- Total deductions to fiduciary net position were $8.7 billion in 2025 and $8.1 billion in 2024.
- Total benefit payments were $8.2 billion during fiscal 2025 and $7.6 billion during fiscal 2024. STRS Ohio paid benefit recipients $7.7 billion in service retirement, disability, survivor and other benefits plus $357 million for health care coverage net of health care premiums and provider administrative expenses during fiscal 2025. This compares to $7.4 billion in benefit payments and $183 million for health care coverage in fiscal 2024.

- Other benefit payments were $41.9 million in fiscal 2025 compared to $36.9 million in fiscal 2024 that include payments to other retirement systems for joint credit and the proportionate share of OPERS net pension and retiree health care activity.
- Refunds to members who have withdrawn were $433.6 million in fiscal 2025 compared to $398.2 million in fiscal 2024 which is a 8.9% increase.
- Administrative expenses were $80.7 million in fiscal 2025 compared to $73.0 million in fiscal 2024, reflecting an increase in recruitment fees and temporary employment for high-level positions, the implementation of GASB 101, which established a significant update related to the accounting for compensated absences, and ongoing amortization and interest expense for GASB 96 over the reporting of subscription-based information technology arrangements. Internal investment management expenses were $48.2 million in fiscal 2025 compared to $47.7 million in fiscal 2024. External asset management fees increased to $275.8 million in fiscal 2025 from $264.4 million in fiscal 2024.

Annual Financial Review

The total fund delivered a 10.42% net return in fiscal 2025. International equities led all asset classes generating a 17.59% return while domestic equities returned 13.52%, alternative investments returned 7.94% and fixed income returned 6.79%. One asset class had a negative return. Real estate returned –1.51%. The total fund net annualized return for the 10 years through fiscal 2025 was 8.52%.

Net position for the Health Care (HC) Fund increased to $5.5 billion at June 30, 2025, from $5.2 billion at June 30, 2024. Government reimbursements totaled $148 million in fiscal 2025 to help offset prescription drug costs compared to $92 million in fiscal 2024. Health care expenses, net of health care premiums and provider administrative expenses, increased to $357 million in fiscal 2025 from $183 million in fiscal 2024.

Overview of the Financial Statements of STRS Ohio

The basic financial statements are the *Statements of Fiduciary Net Position* and the *Statements of Changes in Fiduciary Net Position*. Amounts are shown for the most recent and previous fiscal years for comparison and analysis of changes in individual line items. The statements are prepared in conformity with generally accepted accounting principles.

Additions
Years Ended June 30, 2025 and 2024
(dollar amounts in thousands)

	2025	2024	Percentage Change
Member contributions	$ 2,018,834	$ 1,944,252	3.8%
Employer contributions	2,027,555	1,953,855	3.8%
Government reimbursements	148,074	91,900	61.1%
Other contributions and transfers from DC Plan	119,252	84,281	41.5%
Net investment income (loss)	9,998,148	9,132,328	9.5%
Total additions	**$ 14,311,863**	**$ 13,206,616**	**8.4%**

Deductions
Years Ended June 30, 2025 and 2024
(dollar amounts in thousands)

	2025	2024	Percentage Change
Benefits (includes optional health care and transfers to DB Plan)	$ 8,154,711	$ 7,592,368	7.4%
Refunds	433,640	398,187	8.9%
Administrative expenses	80,732	73,047	10.5%
Total deductions	**$ 8,669,083**	**$ 8,063,602**	**7.5%**

The *Statements of Fiduciary Net Position* are a measure of STRS Ohio's assets and liabilities at the close of the fiscal year. Total assets less current liabilities equals net position held in trust for future benefits.

The *Statements of Changes in Fiduciary Net Position* show additions and deductions for the fiscal year. The net increase (or decrease) is the change in net position available for benefits since the end of the previous fiscal year.

For financial reporting purposes, STRS Ohio assets are divided into three primary funds: the Defined Benefit (DB) Plan, the Defined Contribution (DC) Plan and the post-employment HC Fund.

- The DB Plan is the largest fund and includes member contributions, employer contributions and investment earnings for DB Plan participants. The DB Plan pays service retirement benefits using a fixed formula based on age, years of service and salary. In addition to service retirement, DB Plan participants are eligible for disability and survivor benefits.
- The DC Plan began on July 1, 2001. It is an optional plan available to new members. DC Plan participants

allocate both member and employer contributions in investment choices provided by STRS Ohio. Benefits are based on the member's account value.

As an alternative to the DB or DC Plan, new members may elect the Combined (CO) Plan. CO Plan participants allocate 12% of their 14% member contribution rate among the same investment choices as DC Plan members, and employer contributions are used to provide a reduced formula service retirement benefit along with disability and survivor protection. Assets to provide benefits to CO Plan members are divided between the DB Plan and the DC Plan.

- Net position for the HC Fund consists of funds set aside to subsidize optional health care coverage for members enrolled in the DB and CO Plans.

The *Notes to Financial Statements* are a fundamental part of the financial statements and provide important information to supplement the financial statements. The notes describe accounting policies along with plan membership and benefits. Additional disclosures of selected financial data are included in the notes.

In addition to the basic financial statements and notes, a *Schedule of Changes in Employers' Net Pension Liability*, *Schedule of Employers' Net Pension Liability, Schedule of Employers' Contributions — Pension* and *Schedule of Investment Returns — Pension* are included as "required supplementary information." These schedules emphasize the long-term nature of pension plans and the status of STRS Ohio in accumulating sufficient assets to pay benefits when due. They also provide a history of contributions from employers and actuarial assumptions and methods that assist in understanding the net pension liability of STRS Ohio.

The *Notes to Required Supplementary Information — Pension* provide the actuarial assumptions and methods used to determine the data in the *Schedule of Changes in Employers' Net Pension Liability,* the *Schedule of Employers' Net Pension Liability* and the *Schedule of Employers' Contributions — Pension*.

Likewise, to provide actuarial assumptions and methods that assist in understanding the net post-employment benefits other than pensions (OPEB) asset of STRS Ohio, a *Schedule of Changes in Employers' Net OPEB Liability (Asset)*, *Schedule of Employers' Net OPEB Liability (Asset), Schedule of Employers' Contributions — OPEB* and *Schedule of Investment Returns — OPEB* are also included as "required supplementary information."

The *Notes to Required Supplementary Information — OPEB* provide the actuarial assumptions and methods used to determine the data in the *Schedule of Changes in Employers' Net OPEB Liability (Asset),* the *Schedule of Employers' Net OPEB Liability (Asset)* and the *Schedule of Employers' Contributions — OPEB*.

Schedules of Administrative Expenses, *Internal Investment Expenses* and *External Asset Management Fees* are included to detail the administrative and investment costs to operate STRS Ohio.

Investment Allocation and Fiscal Year Performance

For fiscal 2025, the total fund net return was 10.42%. The total fund benchmark for STRS Ohio returned 10.76%. The target allocations at the end of fiscal 2025, were 1% liquidity reserves, 22% fixed income, 26% domestic equities, 22% international equities, 10% real estate and 19% alternative investments. Amounts actually invested in these categories at the end of June 2025 represent an investment over/underweight if different from the target allocation. Over/underweighting occurs as fair values change and as investment managers determine allocation entry and exit timing strategies. See Page 13 for detailed investment performance.

Internal investment expenses and external asset management fees are shown separately in the *Statements of Changes in Fiduciary Net Position* as a reduction of investment income, which amounted to a total of $324 million in fiscal 2025 and $312 million in fiscal 2024.

Financial Statement Analysis

The tables on Page 15 show condensed information from the *Statements of Fiduciary Net Position* and the *Statements of Changes in Fiduciary Net Position*.

Total fiduciary net position increased 5.9% in fiscal 2025, increased 5.6% in fiscal 2024 and increased 3.9% in fiscal 2023. In fiscal 2025 and 2024, net investment income and contributions more than offset benefit payments, refunds and administrative expenses.

Investment Performance
(total returns, annualized on a fiscal-year basis, July 1–June 30)

1-Year Returns (2025)

Asset Category	STRS Ohio Return	Benchmark Return	Benchmark Name
Liquidity Reserves	4.89%	4.68%	ICE BofA U.S. 3-Month Treasury Bill Index
Fixed Income	6.79%	6.47%	Fixed-Income Blended Benchmark
Domestic Equities	13.52%	15.30%	Russell 3000® Index
International Equities	17.59%	15.61%	International Blended Benchmark
Real Estate	–1.51%	5.05%	Real Estate Blended Benchmark
Alternative Investments	7.94%	6.75%	Alternative Investments Blended Benchmark
Total Fund	**10.56%**	**10.76%**	**Total Fund Blended Benchmark**
Total Fund Net	**10.42%**		

5-Year Returns (2021–2025)

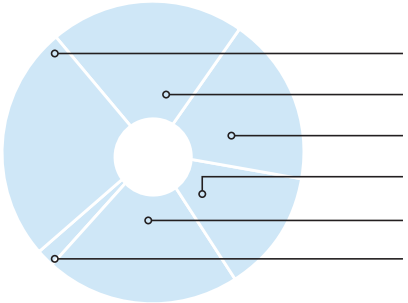
Asset Category	STRS Ohio Return	Benchmark Return	Benchmark Name
Liquidity Reserves	2.91%	2.76%	ICE BofA U.S. 3-Month Treasury Bill Index
Fixed Income	0.22%	–0.10%	Fixed-Income Blended Benchmark
Domestic Equities	15.89%	15.96%	Russell 3000® Index
International Equities	13.30%	11.78%	International Blended Benchmark
Real Estate	2.22%	4.66%	Real Estate Blended Benchmark
Alternative Investments	14.30%	–	Alternative Investments Blended Benchmark
Total Fund	**10.42%**	**9.78%**	**Total Fund Blended Benchmark**
Total Fund Net	**10.29%**		

Investment performance is calculated using a time-weighted rate of return. The one-year returns for the fiscal years ended June 30, 2015, through 2025 have been examined by ACA Group, Performance Services Division. Please refer to the Global Investment Performance Standards (GIPS®) Verification and Performance Examination Report by ACA Group, Performance Services Division on Pages 54–62.

The long-term policy objective for the 10-year period is a projected annualized policy return of 7.04% based on return forecasts by asset class before any value added. The State Teachers Retirement Board expects the net value added to be 0.40% per year.

Please refer to Page 63 in the Investments section for the associated return and benchmark footnotes. The Alternative Investment Blended Benchmark became effective July 1, 2021, so no five-year return is displayed. Alternative investment performance history through June 30, 2021, is displayed on Page 64.

Investment Distribution by Fair Value — as of June 30, 2025
(dollar amounts in thousands)



Domestic Equities:	$	25,505,055	24.7%
International Equities:	$	21,523,125	20.8%
Fixed Income:	$	23,925,286	23.2%
Real Estate:	$	9,855,085	9.5%
Alternative Investments:	$	20,344,581	19.7%
Cash and Short-Term Investments:	$	2,182,342	2.1%
Total Investments:	**$**	**103,335,474**	

The net investment income was $10.0 billion in fiscal 2025, $9.1 billion in fiscal 2024 and $7.4 billion in fiscal 2023. Investment performance for fiscal 2025, 2024 and 2023 were above the board's long-term investment return assumption.

Member contributions increased 3.8% in fiscal 2025, 3.2% in fiscal 2024 and 4.3% in fiscal 2023. Employer contributions increased 3.8% in fiscal 2025, 3.2% in fiscal 2024 and 3.6% in fiscal 2023. Member and employer rates remained at 14% in fiscal 2025, 2024 and 2023. Increases in contributions were due to the increase in employer payroll growth.

Government reimbursements for the health care program were $148.1 million in fiscal 2025 compared to $91.9 million in fiscal 2024 due to the increase in federal direct subsidies for the STRS Ohio Medicare Part D drug plan as part of the Inflation Reduction Act (IRA). Government reimbursements were $100.5 million in fiscal 2023. No employer contributions were allocated to the health care fund in fiscal years 2025, 2024 and 2023.

STRS Ohio was created to provide retirement, disability and survivor benefits to members and eligible beneficiaries. Expenditures include monthly payments to eligible recipients, refunds of contributions to members who terminate employment and administrative costs of operating STRS Ohio.

Total deductions from net position were $8.7 billion in fiscal 2025, $8.1 billion in fiscal 2024 and $7.9 billion in fiscal 2023. Fiscal 2025 deductions were a 7.5% increase from fiscal 2024 and fiscal 2024 deductions were a 1.6% increase from fiscal 2023. Monthly benefit payments for service retirement, disability and survivor benefits increased 5.2% in fiscal 2025, 2.4% in fiscal 2024 and 1.5% in fiscal 2023.

Total payments for health care claims and provider administrative fees, net of health care premiums, totaled $357.1 million in fiscal 2025, $182.8 million in fiscal 2024 and $265.6 million in fiscal 2023. The increase of 95.3% from last year is primarily attributed to increased health care costs, coupled with decreasing premiums and vendor recoveries. The board continued the health care changes from fiscal 2024 with another year of premium decreases in the 2024 calendar year, along with the elimination of the in-network deductible and other enhancements for the Aetna Medicare Plan. Additionally, in early 2025, the board approved increases in subsidy levels for benefit recipients with retirement dates on or after August 1, 2023. Health care premiums received were $134.8 million in fiscal 2025 compared to $150.6 million in fiscal 2024 and $176.6 million in fiscal 2023. There were no premium rebates paid to members in fiscal 2025 and 2024 and rebates of $65.9 million were paid in fiscal 2023. Health care payments and provider administrative fees totaled $491.9 million in fiscal 2025, up from $333.4 million in fiscal 2024 and down from $376.4 million in fiscal 2023.

Pension Funding Valuation (Funding Method)

The present value of expected benefits to be paid to current and future benefit recipients less the portion that will be paid for by future normal cost contributions (the actuarial accrued liability or AAL) at fiscal year end 2025, 2024 and 2023 was $114.5 billion, $110.2 billion and $107.8 billion, respectively.

Market changes in investment assets are smoothed over a four-year period, except that the actuarial value of assets or AVA shall not be less than 91% nor more than 109% of market value. Actuarial value of assets ended fiscal 2025 at $92.7 billion, up from 2024 at $91.3 billion and up from $87.6 billion at fiscal 2023.

The unfunded actuarial accrued liability or UAAL for STRS Ohio pension benefits was $21.8 billion as of June 30, 2025, up from $18.9 billion as of June 30, 2024 and $20.2 billion as of June 30, 2023. The funded ratio, which is actuarial value of assets divided by actuarial accrued liability, was 80.9% at June 30, 2025, 82.8% at June 30, 2024 and 81.3% at June 30, 2023. At June 30, 2025, the funding period was 11.8 years, up from 10.1 years at June 30, 2024, and 11.2 years at June 30, 2023.

Pension Financial Reporting Valuation (Accounting Method)

Some of the actuarial calculations for financial reporting purposes are different than the funding valuation calculations described above. The

Summary Net Position (dollar amounts in thousands)

	2025	2024	2023	Amount Increase (Decrease) From 2024 to 2025	Amount Increase (Decrease) From 2023 to 2024
Cash and investments	$ 103,335,474	$ 96,917,025	$ 92,835,462	$ 6,418,449	$ 4,081,563
Receivables	1,695,909	2,237,086	1,923,382	(541,177)	313,704
Securities lending collateral	1,176,404	558,517	432,516	617,887	126,001
Net capital assets	80,002	86,242	78,291	(6,240)	7,951
Total assets	106,287,789	99,798,870	95,269,651	6,488,919	4,529,219
Total liabilities	4,470,623	3,624,484	4,238,279	846,139	(613,795)
Net position	**$ 101,817,166**	**$ 96,174,386**	**$ 91,031,372**	**$ 5,642,780**	**$ 5,143,014**

Additions to Net Position (dollar amounts in thousands)

	2025	2024	2023	Amount Increase (Decrease) From 2024 to 2025	Amount Increase (Decrease) From 2023 to 2024
Contributions:					
Member contributions	$ 2,018,834	$ 1,944,252	$ 1,884,375	$ 74,582	$ 59,877
Employer contributions	2,027,555	1,953,855	1,893,646	73,700	60,209
Transfers from Defined Contribution Plan	16,332	15,525	19,315	807	(3,790)
Government reimbursements	148,074	91,900	100,515	56,174	(8,615)
Other	102,920	68,756	67,166	34,164	1,590
Total contributions	4,313,715	4,074,288	3,965,017	239,427	109,271
Net investment income (loss)	9,998,148	9,132,328	7,395,535	865,820	1,736,793
Total additions to net position	**$ 14,311,863**	**$ 13,206,616**	**$ 11,360,552**	**$ 1,105,247**	**$ 1,846,064**

Deductions From Net Position (dollar amounts in thousands)

	2025	2024	2023	Amount Increase (Decrease) From 2024 to 2025	Amount Increase (Decrease) From 2023 to 2024
Deductions:					
Benefit payments	$ 7,739,450	$ 7,357,137	$ 7,185,781	$ 382,313	$ 171,357
Transfers to Defined Benefit Plan	16,332	15,525	19,315	807	(3,790)
Health care	357,047	182,827	265,603	174,220	(82,776)
Refunds to members	433,640	398,187	329,921	35,453	68,266
Administrative expenses	80,732	73,047	76,314	7,685	(3,268)
Other	41,882	36,879	56,485	5,003	(19,606)
Total deductions from net position	**$ 8,669,083**	**$ 8,063,602**	**$ 7,933,419**	**$ 605,481**	**$ 130,183**

Net Increase (Decrease) in Net Position (dollar amounts in thousands)

	2025	2024	2023	Amount Increase (Decrease) From 2024 to 2025	Amount Increase (Decrease) From 2023 to 2024
Net increase (decrease) in net position	**$ 5,642,780**	**$ 5,143,014**	**$ 3,427,133**	**$ 499,766**	**$ 1,715,881**
Net Position Beginning of Year	96,174,386	91,031,372	87,604,239	5,143,014	3,427,133
Net Position End of Year	$ 101,817,166	$ 96,174,386	$ 91,031,372	$ 5,642,780	$ 5,143,014

approach used for financial reporting complies with Governmental Accounting Standards Board (GASB) reporting requirements and is based on the market value of assets, referred to as the fiduciary net position, rather than the actuarial value of assets. The primary purpose of the valuation for financial reporting is to provide a consistent, standardized methodology that allows comparability of data and increased transparency of the pension liability across plans.

A side-by-side comparison of the two calculation methods (Funding and Accounting) is as follows:

Funding Method	Accounting Method
Actuarial Accrued Liability (AAL)	Total Pension Liability
– Actuarial Value of Assets (AVA)	– Fiduciary Net Position
= Unfunded Actuarial Accrued Liability (UAAL)	= Net Pension Liability (NPL)

Health Care Financial Reporting Valuation

Additionally, STRS Ohio also complies with GASB reporting requirements for Postemployment Benefit Plans Other Than Pension Plans (OPEB). The OPEB standards are designed to bring greater clarity to post-employment benefit liabilities, the most significant of which is retiree health care insurance. These requirements parallel the pension accounting standards discussed above.

Implementation of New General Ledger and Human Resources System

STRS Ohio used PeopleSoft as its general ledger and human resources system since 1999 and the systems reached the end of their lives. After an extensive request for proposal and due diligence process, Workday Human Capital Management (HCM) and Financials was chosen as STRS Ohio's new general ledger and human resources systems. Workday is an industry leader that streamlines tasks and offers cloud-based technology efficiencies. Staff from the Human Resource Services, Finance and ITS Departments spent over two years defining requirements and developing, configuring and testing the system. The new Workday HCM was fully implemented in July 2023, while the new Workday Financials system was implemented in July 2025.

Changes to Management and Retirement Board Members

There have been several changes to the senior staff members. Lynn Hoover, acting executive director and deputy executive director, finance & chief financial officer, retired on Nov. 30, 2024. Aaron Hood held the interim executive director position from Nov. 18, 2024 until July 26, 2025. Steve Toole was selected as executive director as of July 14, 2025. Edward Gin was selected as deputy executive director, finance & chief financial officer as of Feb. 17, 2025. Additionally, Matt Worley, deputy executive director, investments, retired April 1, 2025. Aaron DiCenzo was selected as interim deputy executive director, investments & chief investments officer and director, private equity and private credit as of April 1, 2025. Of the 11-member board, three members have changed during the fiscal year though the reporting date.

Requests for Information

Questions about any information provided in this report should be addressed to:

State Teachers Retirement System of Ohio
ATTN: Chief Financial Officer
275 E. Broad St.
Columbus, OH 43215-3771

Statements of Fiduciary Net Position (in thousands)

	June 30, 2025				June 30, 2024			
	Defined Benefit	Defined Contribution	Post-employment Health Care	Totals	Defined Benefit	Defined Contribution	Post-employment Health Care	Totals
Assets:								
Cash and short-term investments	$ 1,814,246	$ 259,454	$ 108,642	$ 2,182,342	$ 1,041,037	$ 238,513	$ 61,751	$ 1,341,301
Receivables:								
Accrued interest and dividends	431,425		25,835	457,260	356,489		21,146	377,635
Member contributions	261,646	975		262,621	262,633	122		262,755
Employer contributions	358,768	379		359,147	346,133	312		346,445
Securities sold	545,824		32,685	578,509	1,130,107		67,035	1,197,142
Miscellaneous receivables	38,372			38,372	53,109			53,109
Total receivables	**1,636,035**	**1,354**	**58,520**	**1,695,909**	**2,148,471**	**434**	**88,181**	**2,237,086**
Investments, at fair value:								
Fixed income	22,229,675	364,442	1,331,169	23,925,286	19,370,043	313,685	1,148,977	20,832,705
Domestic equities	21,924,507	2,267,654	1,312,894	25,505,055	21,569,538	1,947,899	1,279,444	24,796,881
International equities	19,799,058	538,450	1,185,617	21,523,125	18,976,177	434,713	1,125,613	20,536,503
Real estate	9,119,152	189,855	546,078	9,855,085	9,442,723	171,108	560,116	10,173,947
Alternative investments	19,195,128		1,149,453	20,344,581	18,158,573		1,077,115	19,235,688
Total investments	**92,267,520**	**3,360,401**	**5,525,211**	**101,153,132**	**87,517,054**	**2,867,405**	**5,191,265**	**95,575,724**
Invested securities lending collateral	1,109,938		66,466	1,176,404	527,242		31,275	558,517
Capital assets	278,936			278,936	279,653			279,653
Accumulated depreciation	(198,934)			(198,934)	(193,411)			(193,411)
Net capital assets	80,002			80,002	86,242			86,242
Total assets	**96,907,741**	**3,621,209**	**5,758,839**	**106,287,789**	**91,320,046**	**3,106,352**	**5,372,472**	**99,798,870**
Liabilities:								
Securities purchased and other investment liabilities	1,061,937		63,592	1,125,529	694,380		41,189	735,569
Debt on real estate investments	1,883,212		112,771	1,995,983	2,036,146		120,778	2,156,924
Accrued expenses and other liabilities	61,849		3,704	65,553	59,657		3,539	63,196
Medical benefits payable			24,262	24,262			9,022	9,022
Obligations under securities lending program	1,109,495		66,439	1,175,934	526,948		31,257	558,205
Net pension and OPEB liabilities	83,362			83,362	101,568			101,568
Total liabilities	**4,199,855**		**270,768**	**4,470,623**	**3,418,699**		**205,785**	**3,624,484**
Fiduciary net position restricted for defined benefit, defined contribution and post-employment health care coverage:	**$ 92,707,886**	**$ 3,621,209**	**$ 5,488,071**	**$ 101,817,166**	**$ 87,901,347**	**$ 3,106,352**	**$ 5,166,687**	**$ 96,174,386**

See accompanying Notes to Financial Statements.

Statements of Changes in Fiduciary Net Position (in thousands)

	Year Ended June 30, 2025				Year Ended June 30, 2024			
	Defined Benefit	Defined Contribution	Post-employment Health Care	Totals	Defined Benefit	Defined Contribution	Post-employment Health Care	Totals
Additions:								
Contributions:								
Member	$ 1,852,849	$ 165,985		$ 2,018,834	$ 1,790,413	$ 153,839		$ 1,944,252
Employer	1,952,301	75,254		2,027,555	1,884,539	69,316		1,953,855
Transfers from Defined Contribution Plan	16,332			16,332	15,525			15,525
Government reimbursements			$ 148,074	148,074			$ 91,900	91,900
Other retirement systems	102,920			102,920	68,756			68,756
Total contributions	**3,924,402**	**241,239**	**148,074**	**4,313,715**	**3,759,233**	**223,155**	**91,900**	**4,074,288**
Income from investing activities:								
Net appreciation in fair value of investments	7,479,919	387,709	439,663	8,307,291	6,855,081	396,575	395,809	7,647,465
Interest	913,374	11,301	53,687	978,362	710,355	11,888	41,016	763,259
Dividends	872,799		51,302	924,101	799,965		46,190	846,155
Real estate income	101,674		5,976	107,650	173,485		10,017	183,502
Investment income	9,367,766	399,010	550,628	10,317,404	8,538,886	408,463	493,032	9,440,381
Less internal investment expenses	(43,894)	(1,699)	(2,580)	(48,173)	(43,663)	(1,531)	(2,521)	(47,715)
Less external asset management fees	(260,508)		(15,312)	(275,820)	(249,931)		(14,431)	(264,362)
Net income from investing categories	9,063,364	397,311	532,736	9,993,411	8,245,292	406,932	476,080	9,128,304
Securities lending income	5,043		297	5,340	4,270		247	4,517
Securities lending expenses	(570)		(33)	(603)	(466)		(27)	(493)
Net income from securities lending activities	4,473		264	4,737	3,804		220	4,024
Net investment income	9,067,837	397,311	533,000	9,998,148	8,249,096	406,932	476,300	9,132,328
Total additions	**12,992,239**	**638,550**	**681,074**	**14,311,863**	**12,008,329**	**630,087**	**568,200**	**13,206,616**
Deductions:								
Benefits:								
Service retirement	7,447,386			7,447,386	7,057,219			7,057,219
Disability benefits	164,930			164,930	172,667			172,667
Survivor benefits	127,134			127,134	127,251			127,251
Transfers to Defined Benefit Plan		16,332		16,332		15,525		15,525
Health care			357,047	357,047			182,827	182,827
Other	41,882			41,882	36,879			36,879
Total benefit payments	7,781,332	16,332	357,047	8,154,711	7,394,016	15,525	182,827	7,592,368
Refunds to members who have withdrawn	327,208	106,432		433,640	311,529	86,658		398,187
Administrative expenses	77,160	929	2,643	80,732	70,182	775	2,090	73,047
Total deductions	**8,185,700**	**123,693**	**359,690**	**8,669,083**	**7,775,727**	**102,958**	**184,917**	**8,063,602**
Net increase in net position	**4,806,539**	**514,857**	**321,384**	**5,642,780**	**4,232,602**	**527,129**	**383,283**	**5,143,014**
Fiduciary net position restricted for defined benefit, defined contribution and post-employment health care coverage:								
Beginning of year	87,901,347	3,106,352	5,166,687	96,174,386	83,668,745	2,579,223	4,783,404	91,031,372
End of year	**$ 92,707,886**	**$ 3,621,209**	**$ 5,488,071**	**$101,817,166**	**$ 87,901,347**	**$ 3,106,352**	**$ 5,166,687**	**$ 96,174,386**

See accompanying Notes to Financial Statements.

1. Summary of Significant Accounting Policies

The financial statements of the State Teachers Retirement System of Ohio (STRS Ohio) presented herein have been prepared on the accrual basis of accounting following the accounting policies set forth below.

Organization — STRS Ohio is a cost-sharing, multiple-employer plan that operates under Chapter 3307 of the Ohio Revised Code (R.C.) and is administered by a board comprised of 11 members as follows: five elected contributing members; two elected retired teacher members; an investment expert appointed by the governor; an investment expert appointed jointly by the speaker of the Ohio House of Representatives and the Ohio Senate President; an investment expert designated by the treasurer of state; and Director of the Department of Education and Workforce or their designee.

The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 39, an amendment of GASB Statement No. 14, *The Financial Reporting Entity*. This statement requires that financial statements of the reporting entity include all of the organizations, activities, functions and component units for which the reporting entity is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the reporting entity's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the reporting entity. STRS Ohio does not have financial accountability over any entities.

Based on the implementation of GASB 84, STRS Ohio is not a financial reporting entity for purposes of the State of Ohio *Annual Comprehensive Financial Report*. Responsibility for the organization is vested in the STRS Ohio Retirement Board pursuant to RC Chapter 3307.

Investment Accounting — Purchases and sales of investments are recorded as of their trade date. Dividend income is recognized on the ex-dividend date. Interest and real estate income is recognized as the income is earned. Investment-related costs associated with external asset management, whether directly invoiced or subtracted from the fund on a net basis, are reported as external asset management fees.

STRS Ohio has no individual investment that exceeds 5% of net position available for benefits.

Contributions and Benefits — Member and employer contributions are recognized when due based on statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Capital Assets — STRS Ohio maintains two categories of assets: tangible capital assets and intangible right-to-use assets.

1. Tangible capital assets are recorded at historical cost. Building enhancements, furniture, equipment and computer software and hardware with purchases of $5,000 or more and internally generated software if greater than $1,000,000, that have a useful life of at least five years or more are recorded as tangible capital assets and depreciated using the straight-line method and the following schedule:

   a. building and improvements — 40 years
   b. computers and related peripherals — five years
   c. furniture and equipment 5–40 years
   d. vehicles five years

2. Intangible right-to-use assets are recorded under GASB Statement No. 87— Leases, and GASB Statement No. 96 — Subscription-Based Information Technology Arrangements (SBITA). The intangible right-to-use assets and related liabilities are recorded at the commencement date of the related contract. The lease or subscription liabilities, included in Accrued Expenses and Other Liabilities on the Combining Statements of Fiduciary Net Position, are measured at the present value of expected payments over the contract term. The intangible right-to-use assets are based on the initial measurement of the liability, plus any payments made to the vendor at or before the commencement of the contract term. STRS Ohio has adopted capitalization thresholds consistent with capitalization thresholds of tangible capital assets. The intangible right-to-use assets are amortized over the shorter of the term of the contract or the useful life of the underlying assets. Interest expense is recognized over the contract term.

Method Used to Value Investments — Investments are reported at fair value. Short-term investments including commercial paper, certificates of deposit and repurchase agreements, are reported at amortized cost, which approximates fair value. Equity securities traded on a national or international exchange are valued at the primary closing market price on the principal registered stock exchange. Fixed-income investments are valued as determined by a qualified independent service. The fair value of real estate investments and other internally managed alternative investments is based on independent external appraisals and internal valuations. The fair value of externally managed alternative investments and real estate is determined by the valuation methodology outlined in the fund governing documents and updated to include capital activity through the statement of fiduciary net position date. Refer to Note 7 for additional information on the valuation of investments.

Federal Income Tax Status — STRS Ohio is qualified under section 401(a) of the U.S. Internal Revenue Code, which is exempt from U.S. taxation under section 501(a).

Use of Estimates — In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Recent Accounting Pronouncements — GASB issued Statement No. 99, *Omnibus 2022*, was issued in April 2022. This statement addresses practice issues that have been identified during implementation and application of certain GASB statements. The requirements related to the extension of the use of LIBOR, accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in

Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 were effective upon issuance. The requirements related to leases, Public-Private Partnerships (PPPs), and SBITAs were effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 were effective for fiscal years beginning after June 15, 2023. STRS Ohio has reviewed this statement and determined it is not impacted.

GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, was issued in June 2022. The requirements of this Statement were effective for fiscal years beginning after June 15, 2023. The objective of this Statement improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections. In addition, the display and note disclosure requirements results in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. STRS Ohio will apply these requirements at the time when an accounting change or error correction is deemed necessary.

GASB issued Statement No. 101, *Compensated Absences*, was issued in June 2022. The requirements of this Statement were effective for fiscal years beginning after Dec. 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. STRS Ohio has included the appropriate amounts under accrued expenses and other liabilities in the Statements of Fiduciary Net Position. There was no impact to the beginning net position.

GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide information about risks related to an entity's vulnerabilities due to certain concentrations and constraints. The requirements of this statement were effective for fiscal years beginning after June 15, 2024. STRS Ohio will apply these requirements at the time when a risk disclosure is deemed necessary.

GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. STRS Ohio is currently evaluating the impact of this statement.

GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to improve transparency and consistency in financial reporting for capital assets, providing users with essential information to make informed decision. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. STRS Ohio is currently evaluating the impact of this statement.

2. Description of the STRS Ohio Plan

Plan Membership — STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio (the state) or any school, college, university, institution or other agency controlled, managed and supported, in whole or part, by the state or any political subdivision thereof.

Member and retiree data and participating employers are shown in the following tables below.

Member and Retiree Data at June 30, 2025 and 2024

	2025	2024
Current active members	172,506	174,836
Inactive members eligible for refunds only	162,049	156,474
Terminated members entitled to receive a benefit in the future	21,716	21,451
Inactive Defined Contribution Plan members	6,289	6,035
Retirees and beneficiaries currently receiving a benefit	158,399	156,594
Defined Contribution Plan members	11,657	11,411
Reemployed retirees	16,732	17,139
Total Plan Membership	**549,348**	**543,940**

Participating Employers at June 30, 2025 and 2024

	2025	2024
City school districts	191	194
Local school districts	371	368
County educational service centers	51	51
Exempted village school districts	49	49
Joint vocational schools	49	49
Colleges and universities	36	36
County boards of developmental disabilities	50	50
Community schools	330	324
Other	12	12
Total	**1,139**	**1,133**

Active members are defined as participants who earned 0.25 years of service credit or more in the valuation year and new members employed on or after Jan. 1, with less than 0.25 years of service credit.

Plan Options — New members have a choice of three retirement plan options. In addition to the DB Plan, new members are offered a DC Plan or a CO Plan. The DC Plan allows members to allocate all of their member contributions and employer contributions equal to 11.09% of earned compensation among various investment choices. The CO Plan offers features of the DC Plan and the DB Plan. In the CO Plan,

member contributions less 2% of earned compensation are allocated among investment choices by the member. Employer contributions and a portion of member contributions in the CO Plan are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the CO Plan are credited to member accounts as employers submit their payroll information to STRS Ohio.

DB Plan Benefits — Plan benefits are established under Chapter 3307 of the R.C. Effective June 1, 2025, through May 1, 2030, any member can retire with unreduced benefits with 32 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 27 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2030, through May 1, 2032, any member can retire with unreduced benefits with 33 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after June 1, 2032, any member can retire with unreduced benefits with 34 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The annual retirement allowance, payable for life, is based on the average of the member's five highest years of earnings multiplied by 2.2% for each year of credited service. Members retiring under early retirement eligibility have their benefits actuarially reduced to reflect the longer payout of benefits.

For members who were eligible to retire on July 1, 2015, the annual benefit is the greater of the benefit amount calculated upon retirement under the new benefit formula or the frozen benefit amount as of July 1, 2015.

Since the plan is tax-qualified, benefits are subject to limits established by Section 415 of the Internal Revenue Code.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of member contributions with interest before age 65, once employment is terminated.

In September 2012, the Ohio General Assembly passed and the Governor signed into law Substitute Senate Bill 342. The legislation improves pension funding of the STRS Ohio DB Plan.

The legislative changes that improve funding to STRS Ohio's DB Plan include: increasing age and service requirements for retirement; pensions calculated on a lower, fixed formula; increasing the period for determining final average salary, increasing member contributions to the retirement system; and modifications to the COLA. The law also provides the Retirement Board with authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the COLA as the need or opportunity arises, depending on the retirement system's funding progress. In April 2017, the Retirement Board made the decision to reduce the COLA granted on or after July 1, 2017, to 0% upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past COLA increases are not affected by this change.

DC Plan Benefits — Benefits are established under Chapter 3307.80 to 3307.89 of the R.C.

For members who select the DC Plan, all member contributions and employer contributions at a rate of 11.09% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The member receives a quarterly statement of his or her account activity and balance and can access their account online. Effective July 1, 2022, contributions equal to 2.91% of salaries are used to help pay for unfunded liabilities.

A member is eligible to receive a monthly retirement benefit at age 50 and termination of employment. If members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. In lieu of a retirement benefit, the member may elect a lump-sum withdrawal. Employer contributions into member accounts are vested after the first anniversary of the first day of paid service. Members vest 20% per year in employer contributions and all gains and losses on those contributions.

Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

CO Plan Benefits — For members who select the CO Plan, 12% of the 14% member contribution rate is deposited into the member's DC account and the remaining amount applied to the DB Plan. In the CO Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund a defined benefit payment.

A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the CO Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50 and termination of employment.

DC and CO Plan members must actively select to change plans during their fifth year of membership or their original selection is maintained. Also, for DC and CO Plan members who retire and elect to have an annuity, the DC account balance is transferred to the DB Plan. During fiscal 2025, $16.3 million was transferred from the DC and CO Plan accounts to the DB Plan. During fiscal 2024, $15.5 million was transferred from the DC and CO Plan accounts to the DB Plan.

Death, Survivor and Disability Benefits — A DB or CO Plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits.

A death benefit of $1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to $2,000 can be purchased by participants in the DB, DC or CO Plans. Various other benefits are available to members' beneficiaries.

Health Care Coverage After Retirement — Ohio law allows the State Teachers Retirement Board to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the DB or CO Plans and their eligible dependents.

Coverage under the current program includes hospitalization, physicians' fees and prescription drugs. Health care premiums are reduced by a Medicare Part B premium credit. Pursuant to the R.C., the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. Benefit recipients pay a portion of the health care costs in the form of a monthly premium. Benefit recipients contributed $134.8 million or 27% of the total health care costs in fiscal 2025. For fiscal 2024, benefit recipients contributed $150.6 million, net of a premium rebate provided to members, or 45% of the total health care costs in fiscal 2024.

Under Ohio law, funds to pay health care costs may be deducted from employer contributions, currently 14% of compensation. For fiscal years 2025 and 2024, no employer allocation was made to health care.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the years ended June 30, 2025 and 2024, STRS Ohio received $148.1 million and $91.9 million in Medicare Part D government reimbursements, respectively.

Refunds — Withdrawal cancels a member's rights and benefits in STRS Ohio.

Upon termination of employment, a DB Plan member may withdraw their accumulated contributions made to STRS Ohio. Refunds of member contributions may include interest and 50% matching payments.

A CO Plan member is eligible for the present value of future benefits from the defined benefit portion of the account if he or she terminates employment after at least five years of service. For the defined contribution portion of the account, the refund consists of member contributions plus or minus any investment gains or losses on those contributions.

DC Plan members receive their contributions plus or minus any investment gains or losses on member contributions until they have completed one year of membership. After one year of membership, members vest 20% per year in employer contributions and all gains or losses on those contributions.

Alternative Retirement Plan — Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer.

Employees have 120 days from their date of hire to select a retirement plan.

For employees who elect an ARP, employers are required to remit employer contributions to STRS Ohio at a rate of 2.91% of payroll to help pay for unfunded liabilities. For the years ended June 30, 2025 and 2024, the ARP participant payroll totaled $985.7 million and $926.0 million, respectively.

Administrative Expenses — The costs of administering the DB Plan and the retiree health care program are paid from investment income. The administrative and investment costs of the DC Plan are paid by participant fees.

3. Net Pension Liability of Participating Employers

The components of STRS Ohio's net pension liability of the participating employers as of June 30, 2025 and 2024, was as follows:

Net Pension Liability at June 30, 2025 and 2024
(dollar amounts in thousands)

	2025	2024
Total Pension Liability	$114,514,056	$110,249,314
Fiduciary Net Position	(96,329,094)	(91,007,699)
Net Pension Liability	$ 18,184,962	$ 19,241,615
Ratio of Fiduciary Net Position to the Total Pension Liability	84.1%	82.5%

The total pension liability for 2025 and 2024 was determined by an actuarial valuation as of June 30, 2025 and 2024, using actuarial assumptions related to inflation (2.50%), discount rate of 7.00%, projected salary increases and 0% COLA.

Pension and post-employment health care assets are commingled for investment purposes. Amounts reported for individual asset classes are allocated between the DB Plan and post-employment health care based upon ending net position. Amounts reported for individual asset classes for the DC Plan are based on the underlying participant choices.

STRS Ohio's investment consultant develops an estimated range for the expected investment returns based on the target allocation adopted by the Retirement Board. The target allocation and long-term median expected rate of return for each major asset class are summarized in the following table.

Asset Class	Target Allocation*	Long-term Median Expected Rate of Return**
Domestic Equity	26%	6.90%
International Equity	22%	7.70%
Alternatives	19%	9.10%
Fixed Income	22%	4.50%
Real Estate	10%	5.10%
Liquidity Reserves	1%	2.40%

*Final target weights reflected at October 1, 2022.

**10-year annualized geometric nominal returns include the real rate of return and inflation of 2.4% and is net of investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Pension Plan Discount Rate — The projection of cash flows used to determine the discount rate assumes that employer and member contributions will be made at statutory contribution rates of 14% each. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2025 and 2024. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability, as of June 30, 2025 and 2024.

Sensitivity of the Net Pension Liability to the Discount Rate Assumption — The following represents the net pension liability as of June 30, 2025 and 2024, calculated using the applicable discount rate assumption, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumption.

Net Pension Liability (in thousands)

	1% Decrease (6.00%)	Current Assumption (7.00%)	1% Increase (8.00%)
June 30, 2025	$30,340,697	$18,184,962	$7,905,744
June 30, 2024	$31,040,098	$19,241,615	$9,262,127

Mortality Rates for Pension — For the actuarial valuation as of June 30, 2025 and 2024, post-retirement mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020.

Disabled: Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Experience Study — The actuarial assumptions used in the June 30, 2025 and 2024, valuations were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021.

4. Post Employment Health Care Net OPEB Liability (Asset) of Participating Employers

The components of STRS Ohio's net OPEB liability (asset) of the participating employers as of June 30, 2025 and 2024, are shown in the table below.

Net OPEB Liability (Asset) at June 30, 2025 and 2024
(dollar amounts in thousands)

	2025	2024
Fiduciary Net OPEB Position	$ 5,488,071	$ 5,166,687
Total OPEB Liability	4,276,291	3,269,878
Net OPEB Liability (Asset)	$ (1,211,780)	$ (1,896,809)
Ratio of Fiduciary Net Position to the Total OPEB Liability	128.3%	158.0%

The total OPEB liability (asset) for 2025 and 2024 was determined by an actuarial valuation as of June 30, 2025 and 2024, using actuarial assumptions including the discount rate of 7.00%, projected salary increases ranging from 2.5% to 8.5% for 2025 and 2024, and health care cost trend rates ranging from 7.00% to 86.77% initially and a 3.94% ultimate rate for 2025, and health care cost trend rates ranging from –112.22% to 8.00% initially and a 3.94% ultimate rate for 2024.

STRS Ohio's investment consultant develops an estimated range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term median expected rate of return for each major asset class are summarized in the following table.

Asset Class	Target Allocation*	Long-term Expected Rate of Return**
Domestic Equity	26%	6.90%
International Equity	22%	7.70%
Alternatives	19%	9.10%
Fixed Income	22%	4.50%
Real Estate	10%	5.10%
Liquidity Reserves	1%	2.40%

* Final target weights reflected at Oct. 1, 2022.

**10-year annualized geometric nominal returns include the real rate of return and inflation of 2.4% and is net of investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

OPEB Discount Rate — The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the HC Fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2025 and 2024. Therefore, the long-term expected rate of return on HC Fund investments of 7.00% was applied to all periods of projected benefit payments to determine the total OPEB liability, as of June 30, 2025 and 2024.

Sensitivity of the Net OPEB Asset to the Discount Rate and Health Care Cost Trend Rate Assumptions — The following represents the net OPEB asset as of June 30, 2025 and 2024, calculated using the applicable discount rate assumption, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumption. Also shown is the net OPEB asset as of June 30, 2025 and 2024, calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

Net OPEB Asset (Liability) (in thousands)		
At June 30, 2025		
1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
$745,211	$1,211,780	$1,615,043
1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
$1,640,563	$1,211,780	$695,381
At June 30, 2024		
1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
$1,542,231	$1,896,809	$2,205,369
1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
$2,226,212	$1,896,809	$1,500,659

Mortality Rates for Health Care — For the actuarial valuation as of June 30, 2025 and 2024, healthy mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020.

Disabled: Rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Experience Study — The actuarial assumptions used in the June 30, 2025 and 2024, valuations were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021.

5. Contribution Requirements and Reserves

Member and employer contribution rates are established by the Retirement Board and limited by Chapter 3307 of the R.C. The member and employer contribution rates are 14% of covered payroll.

Various funds are established under the R.C. to account for contributions, reserves, income and administrative expenses.

The Teachers' Savings Fund (TSF) is used to accumulate member contributions in trust from which transfers are made to fund retirement and survivor benefits.

The Employers' Trust Fund (ETF) is used to accumulate employer contributions in trust from which transfers are made to fund retirement and survivor benefits. The remaining balance in the Guarantee Fund is closed to the ETF at year-end.

The DC Fund accumulates contributions deducted from DC and CO Plan members, employer contributions credited to the DC member accounts and investment earnings thereon less DC Plan expenses and withdrawals. Transfers are made from the DC Fund to the Annuity and Pension Reserve Fund for accounts annuitized at retirement.

The Annuity and Pension Reserve Fund (APRF) is the fund from which all annuity and pension payments for retirement and disability benefits are made. Reserves for the present value of new benefits are transferred to this fund from the TSF, ETF and DC funds at the time of retirement and interest is transferred to this fund annually from the Guarantee Fund.

The Survivors' Benefit Fund (SBF) is the fund from which all survivor benefit payments are made. Reserves for the present value of new benefits are transferred to this fund from the TSF and ETF funds at the time benefits begin and interest is transferred to this fund annually from the Guarantee Fund.

The Guarantee Fund (GF) is used to accumulate income derived from investments, gifts and bequests for the year. It is also the fund from which transfers are made to cover the balance in

the Expense Fund and from which interest is transferred and credited to the APRF and SBF funds. Any remaining balance in the GF at fiscal year end is closed to the ETF.

The Expense Fund is the fund from which all administrative and management expenses of STRS Ohio are paid each year. A transfer from the GF is made at the end of each fiscal year to cover the accumulated balance in this fund.

The HC Fund is used to accumulate amounts for the retiree health care program from the allocated portion of employer contributions, investment earnings, governmental reimbursements and benefit recipient premiums less health care expenses.

6. Commitments, Contingencies and Economic Uncertainty

STRS Ohio has made commitments to fund various real estate investments totaling $1,806,729,000 as of June 30, 2025 which includes both direct properties and funds. These commitments have expected funding dates from July 2025 to July 2030.

STRS Ohio has made commitments to fund various alternative investments totaling $7,739,795,000 as of June 30, 2025. The expected funding dates for the commitments as of June 30, 2025, range from July 2025 to January 2030.

STRS Ohio is a party in various legal actions. While the final outcome cannot be determined at this time, management is of the opinion that the liability, if any, for these legal actions will not have a material adverse effect on fiduciary net position.

7. Fair Value Measurement

STRS Ohio's investments measured and reported at fair value are shown on Page 26 and are classified according to the following hierarchy:

Level 1: Level 1 inputs are quoted prices in active markets such as exchange markets.

Level 2: Level 2 inputs are prices that are observable either directly or indirectly. Level 2 inputs may include quoted prices in markets that are not considered active or inputs other than quoted prices that are observable such as interest rates, yield curves, implied volatilities, credit spreads or market-corroborated inputs.

Level 3: Level 3 inputs are prices based on unobservable sources. Level 3 inputs include the best information available under the circumstances, which can include the government's own data and takes into account all information about market participant assumptions.

The assignment of Levels, within the hierarchy, is based on the type or class of investment and the pricing transparency of the investment. Assets classified as Level 1 are valued directly from a primary external pricing vendor. Assets classified as Level 2 are priced using an alternative independent pricing source or a pricing model that uses observable inputs in conjunction with trade information. Assets classified in Level 3 are cases where there is limited activity or a lack of an independent pricing source. Certain entities calculate a net asset value (NAV) per share (or its equivalent). For these investments, governmental accounting standards permit establishment of fair value using a practical expedient based on the NAV per share (or its equivalent).

Investments Measured at Fair Value at June 30, 2025 and 2024 (in thousands)

		Fair Value Measurements Using:				Fair Value Measurements Using:		
	June 30, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	June 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:								
Short-term								
U.S. government obligations	$ 1,833,203		$ 1,833,203		$ 1,001,599		$ 1,001,599	
U.S. government agencies	49,994		49,994		149,934		149,934	
Commercial paper	79,489		79,489		49,579		49,579	
Short-term investment funds	200,000		200,000		76,000		76,000	
Fixed income								
U.S. government agencies					11,004		11,004	
Corporate bonds	4,875,727		4,875,727		4,589,596		4,589,596	
High yield and emerging markets	2,261,903	$ 26,286	2,235,617		1,926,526	$ 12,376	1,914,150	
Mortgages and asset-backed	6,300,978		6,300,978		5,305,827		5,305,827	
U.S. government obligations	10,484,182		10,484,182		8,998,538		8,998,538	
Domestic equities								
Common and preferred stock	25,505,055	25,505,055			24,795,800	24,795,800		
International								
Foreign stock	19,700,491	19,351,036	349,455		18,628,258	18,238,800	389,458	
Foreign equity index funds	1,256,483		1,256,483		1,083,673		1,083,673	
Corporate bonds held in equity swap	266,733		266,733		429,805		429,805	
Asset-Backed held in equity swap	127,316		127,316		137,382		137,382	
U.S. government obligations held in equity swap	324,156		324,156		225,098		225,098	
Real estate								
Direct real estate assets	6,980,087			$ 6,980,087	7,382,982			$ 7,382,982
REITs	1,362,221	1,362,221			1,370,797	1,370,797		
Alternative investments								
Opportunistic diversified	1,080,451	639,635	72,454	368,362	878,587	550,861	75,648	252,078
Total investments by fair value level	**82,688,469**	**$ 46,884,233**	**28,455,787**	**7,348,449**	**77,040,985**	**$ 44,968,634**	**24,437,291**	**7,635,060**
Investments measured at net asset value (NAV):								
Real estate								
Real estate funds	1,518,886				1,418,902			
Alternative investments								
Hedge funds	122,256				115,410			
Private equity	9,739,146				9,613,933			
Opportunistic diversified	9,405,592				8,635,854			
Total investments measured at NAV	**20,785,880**				**19,784,099**			
Investment derivative instruments:								
Options	(3,517)		(3,517)		(8,220)		(8,220)	
Rights and warrants	272			272	1,081			1,081
Foreign currency forwards	(180,778)		(180,778)		33,088		33,088	
Credit Default Swaps	3,224		3,224		1,274		1,274	
Equity swaps	22,268		22,268		529		529	
Total investment derivative instruments	**(158,531)**		**$ (158,803)**	**$ 272**	**27,752**		**$ 26,671**	**$ 1,081**
Cash	19,656				64,189			
Total investments and cash	**$103,335,474**				**$ 96,917,025**			

Investments Measured at Net Asset Value (NAV) at June 30, 2025 and 2024 (in thousands)

	June 30, 2025	Unfunded Commitment	Redemption Frequency (if Currently Eligible)	Redemption Notice Period	June 30, 2024	Unfunded Commitment	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Real estate funds total[1]	**$ 1,518,886**	**$ 1,298,029**	N/A	N/A	**$ 1,418,902**	**$ 1,396,668**	N/A	N/A
Hedge funds								
Credit/Distressed[2]	**38,637**		Quarterly	Fully Redeemed	**42,600**		Quarterly	Fully redeemed
Market neutral[3]	**80,499**		Monthly	30 days	**68,593**		Monthly	30 days
Multi-strategy[4]	**3,120**		Quarterly	Fully Redeemed	**4,217**		Quarterly	Fully redeemed
Hedge funds total	**122,256**				**115,410**			
Private equity total[5]	**9,739,146**	**3,787,408**			**9,613,933**	**3,399,669**	N/A	N/A
Opportunistic diversified total[6]	**9,405,592**	**3,952,387**			**8,635,854**	**4,258,235**	N/A	N/A
Total investments measured at NAV	**$ 20,785,880**				**$ 19,784,099**			

[1]**Real estate funds total** — Consisting of 60 opportunistic, international and specialty funds which invest in markets throughout the globe. The primary strategy of these funds is to invest in mispriced, mismanaged and distressed assets with the goal of repositioning the asset as a core investment for sale to institutional investors within a three to five year holding period. There is one exception to the primary strategy. Harrison Street Core Property Fund, L.P. acquires core and core-plus, mostly stabilized assets in the specialty real estate sector for long-term hold and cash yield. These funds are not eligible for redemption with the exception of Harrison Street Core Property Fund, L.P., which is an open ended fund and is eligible for redemption. The fair value of these funds is determined using net assets valued one quarter in arrears plus current cash flows.

[2]**Credit/Distressed** — Consisting of two funds, this strategy invests both long and short in securities of companies that have been, or are expected to be, in potential restructuring situations, as well as U.S. and global credit securities with the goal of generating excess yield relative to traditional credit instruments. These investments are valued at NAV per share. 100% of the value of these investments is eligible for redemption in the next six months.

[3]**Market neutral**— Consisting of two funds, this strategy aims to pursue strategies that are uncorrelated to broader market returns. 100% of the value of these investments is eligible for redemption in the next six months.

[4]**Multi-strategy** — Consisting of two funds, this strategy aims to pursue varying strategies in order to diversify risks and reduce volatility. These investments are valued at NAV per share. 100% of the value of these investments is eligible for redemption within the next six months.

[5]**Private equity** — Consisting of 237 commingled funds, fund-of-funds and separately managed accounts involving domestic and global buyout and venture capital funds. These are long-term lock up vehicles, typically with 10-year terms plus available extensions. These investments are valued at NAV as reported by the fund/account manager. The unfunded commitments can be called by the managers to make new investments during the investment period, which is roughly the first half of the fund term. Thereafter, the manager can call capital to fund follow-on expenses in support of the existing portfolio investments or to pay fund expenses.

[6]**Opportunistic diversified** — Consisting of 241 commingled funds, co-investments (including bank loans), and direct investments involving domestic and global energy, infrastructure, and specialty finance funds. These are generally long-term lock up vehicles, typically with seven-year terms plus available extensions. These investments are generally valued at NAV as reported by the fund/account manager, with some exceptions for publicly traded securities. The unfunded commitments can be called by the managers to make new investments during the investment period, which is roughly the first half of the fund term. Thereafter, the manager can call capital to fund follow-on expenses in support of the existing portfolio investments or to pay fund expenses.

8. Deposit and Investment Risk Disclosure

Investment Authority — The investment authority of the Retirement Board is governed by Section 3307.15 of the R.C. that also requires the Retirement Board to publish its investment policies annually and make copies available to interested parties. This section requires that investments be made with care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

Investments and invested securities lending collateral held at fair value by STRS Ohio at June 30, 2025 and 2024, are summarized on Page 28.

Cash and Short-Term Investments — Cash and short-term investments are combined for reporting purposes and include cash balances of $19,655,636 at June 30, 2025 and $64,189,000 at June 30, 2024, in the *Statements of Fiduciary Net Position*.

GASB Statement No. 40 — GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk and foreign currency risk.

Credit Risk — Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by ratings assigned by a nationally recognized statistical rating organization. The quality ratings of investments in fixed income as of June 2025 and 2024, are shown in the table on Page 29. U.S. government fixed-income securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk.

Custodial Credit Risk — Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of a failure of the counterparty, STRS Ohio will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the

Investments and Invested Securities Lending Collateral Held at Fair Value by STRS Ohio at June 30, 2025 and 2024 (summarized and in thousands)

Category	June 30, 2025	June 30, 2024
Cash and short-term investments		
Cash	$ 19,656	$ 64,189
Commercial paper	79,489	49,579
Short-term investment funds	200,000	76,000
U.S. Government Agencies	49,994	149,934
U.S. Treasury	1,833,203	1,001,599
Total cash and short-term	**2,182,342**	**1,341,301**
Fixed income		
U.S. government agency obligations		11,004
Corporate bonds	4,875,727	4,589,596
High yield and emerging market fixed income	2,264,399	1,927,740
Mortgages and asset-backed	6,300,978	5,305,827
U.S. government obligations	10,484,182	8,998,538
Total fixed income	**23,925,286**	**20,832,705**
Domestic equities	**25,505,055**	**24,796,881**
International (See Note 9)		
Equities	20,804,920	19,744,218
Corporate bonds held in equity swap	266,733	429,805
U.S. government bonds held in equity swap	324,156	225,098
Asset-backed securities held in equity swap	127,316	137,382
Total international	**21,523,125**	**20,536,503**
Real estate (See Note 10)		
East region	3,128,473	3,179,950
Midwest region	877,893	959,975
South region	1,028,152	1,043,962
West region	1,945,569	2,199,095
REITs	1,362,221	1,370,797
Non-core	1,512,777	1,420,168
Total real estate	**9,855,085**	**10,173,947**
Alternative investments (See Note 11)	**20,344,581**	**19,235,688**
Invested securities lending collateral	**1,176,404**	**558,517**
Total investments and invested securities lending collateral	**$ 104,511,878**	**$ 97,475,542**

securities are uninsured, are not registered in the name of STRS Ohio, and are held by either the counterparty or the counterparty's trust department or agent but not in the name of STRS Ohio.

All investments are held in the name of STRS Ohio or its nominee by the Treasurer of the State of Ohio as custodian. At June 30, 2025 and 2024, the bank statement cash balances were $28,961,000 and $76,395,000, respectively. Bank balances are insured up to $250,000 by the Federal Deposit Insurance Corporation. The remaining bank deposits are covered by collateral held in the name of STRS Ohio's pledging financial institution, as required by state statute.

Interest Rate Risk — Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. Duration is a measure of a debt investment's exposure to fair value changes arising from changing interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. The longer the maturity, the more the value of the fixed-income investment will fluctuate with interest rate changes. The table on Page 29 shows the maturities of investments in fixed income by weighted-average duration, expressed in years, at June 30, 2025 and 2024.

Concentration of Credit Risk — STRS Ohio is guided by statute and policy in the selection of security investments. No investment in any one organization represents 5% or more of STRS Ohio's total investments as of June 30, 2025 and 2024.

Significant investment guidelines that relate to investment concentration, interest rate risk and foreign currency risk by major asset class are as follows:

Overall Investment Portfolio — The Retirement Board has approved a target risk budget range of 0.60% to 1.20%, with a working range of 0.20% to 1.60%, annualized active management for the total fund. In exchange for assuming this level of active risk, the Board expects active management to add net 0.40% of annualized excess return over moving five-year periods to judge its effectiveness.

Fixed Income — The portfolio will seek diversification by market sector, quality and issuer. The core fixed income portfolio risk budget range is 0.10% to 1.50% using the Bloomberg U.S. Universal Index as the benchmark. The Liquid Treasury portfolio risk budget range is 0.0% to 0.25% during normal market conditions, but will have a board-approved risk budget range of 0.0% to 1.0% using the Bloomberg U.S. Intermediate Treasury Index as the benchmark. Derivative instruments may be used to adjust the exposure to interest rates, individual securities or to various market sectors in the portfolio. Underlying exposure of derivative instruments for fixed-income investments will not exceed 5% of total fund assets. Short sales may be used, but may not exceed 10% of the value of the asset class.

Global Equities — Domestic — The risk budget range for domestic equities is 0.20% to 1.50% using the Russell 3000® Index as the benchmark. Derivative instruments may be used in management of the equity portfolio. Underlying exposure of equity derivative instruments will not exceed 10% of total fund assets. Short sales may be used, but may not exceed 10% of the value of the asset class.

Global Equities — International — International assets will be a diversified portfolio including both developed and emerging countries. The risk budget range for international equity is between 0.60% to 2.50% using a blended benchmark of 80% MSCI World ex US Index-Net (50% hedged currency) and 20% MSCI Emerging Markets Index-Net. Derivative instruments may be used in management of the portfolio and underlying exposure of derivative instruments for international investments will not exceed 10% of total fund assets. Short sales may be used, but may not exceed 10% of the value of the asset class.

Credit Quality Ratings Held at June 30, 2025 and 2024 (in thousands)

Investment Type	Quality Rating	June 30, 2025 Fair Value	June 30, 2024 Fair Value
Commercial paper held in short term	A	$ 79,489	$ 49,579
U.S. government agency obligations held in short term	Aa	49,994	
	NR		149,934
Total U.S. government agency obligations held in short term		**49,994**	**149,934**
U.S. government agency obligations held in fixed income	Aaa		11,004
Corporate bonds held in fixed income	Aaa	64,508	247,948
	Aa	633,644	391,527
	A	2,324,771	2,363,830
	Baa	1,833,283	1,573,604
	Ba	19,521	6,703
	NR		5,984
Total corporate bonds held in fixed income		**4,875,727**	**4,589,596**
Corporate bonds held in equity swap	Aa	40,081	82,563
	A	210,986	319,201
	Baa	15,666	28,041
Total corporate bonds held in equity swap		**266,733**	**429,805**
High yield and emerging markets fixed income	Aaa	3,638	72,189
	Aa	187,869	55,739
	A	101,739	133,137
	Baa	355,143	270,030
	Ba	624,190	535,242
	B	591,161	540,098
	Caa & below	214,189	190,949
	NR	186,470	130,356
Total high yield and emerging markets fixed income		**2,264,399**	**1,927,740**
Mortgages and asset-backed held in fixed income	Aaa	5,576,942	5,240,219
	Aa	3,484	
	NR	720,552	65,608
Total mortgages and asset-backed held in fixed income		**6,300,978**	**5,305,827**
Asset-backed held in equity swap	Aaa		**137,382**
	Aa	**115,816**	
	NR	**11,500**	
Total Asset-backed held in equity swap		127,316	137,382
Total credit risk debt securities		**13,964,636**	**12,600,867**
U.S. government obligations held in short term		**1,833,203**	**1,001,599**
U.S. government obligations held in fixed income		**10,484,182**	**8,998,538**
U.S. government obligations held in equity swap		**324,156**	**225,098**
Total		**$ 26,606,177**	**$ 22,826,102**

Interest Rate Risk — Duration Held at June 30, 2025 and 2024 (in thousands)

Investment Type	June 30, 2025 Fair Value	June 30, 2025 Weighted-Average Duration (Years)	June 30, 2024 Fair Value	June 30, 2024 Weighted-Average Duration (Years)
Commercial paper held in short term	$ 79,489	0.14	$ 49,579	0.16
U.S. government agency obligations held in short term	49,994	0.01	149,934	0.01
U.S. government agency obligations held in fixed income			11,004	2.13
Corporate bonds held in fixed income	4,875,727	6.63	4,589,596	6.61
Corporate bonds held in equity swap	266,733	0.01	429,805	0.01
High yield and emerging markets fixed income	2,264,399	4.48	1,927,740	5.12
Mortgages and asset-backed held in fixed income	6,300,978	4.95	5,305,827	5.19
Asset-backed held in equity swap	127,316	0.07	137,382	0.07
U.S. government obligations held in short term	1,833,203	0.18	1,001,599	0.23
U.S. government obligations held in fixed income	10,484,182	5.93	8,998,538	5.02
U.S. government obligations held in equity swap	324,156	(0.01)	225,098	(0.01)
Total	**$ 26,606,177**		**$ 22,826,102**	

Real Estate — The real estate portfolio shall be diversified between property type, geographic location and investment structure. The risk budget range for real estate investments is 2.00% to 7.00% using a benchmark of 85% NCREIF Property Index and 15% FTSE NAREIT Equity REITs Index. Investments in non-core real estate, which includes domestic and international opportunity funds and real estate development projects, shall not exceed 30% of total real estate assets. Derivative instruments may be used and will not exceed 1% of total fund assets. STRS Ohio may borrow funds on a secured or unsecured basis and leverage is limited to 50% in aggregate of internally managed real estate assets excluding publicly traded real estate investment trusts (REITs). Short sales may be used, but may not exceed 10% of the value of the asset class.

Alternative Investments — Alternative investments involve separate allocations to private equity and opportunistic/diversified investments. Private equity investments are being managed to exceed a private market benchmark over moving five-year periods. Private equity investments are traded infrequently and, therefore, risk budget concepts are not applicable. Opportunistic/diversified investments are being managed to exceed a blend of private market benchmarks over moving five-year periods. Investments in this category can be liquid or illiquid and, therefore, risk budget concepts are not applicable. Derivative instruments may be used but will not exceed 10% of total fund assets. Fees are net of all external investment management fees and costs, including carried interest and other fund expenses.

Foreign Currency Risk — Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. Forward currency contracts may be used to manage the exposure to foreign currencies. The system's investments exposed to foreign currency risk at June 30, 2025 and 2024 are shown in the table to the right. The investment figures are comprised of numerous portfolios within international equity, debt securities, alternative and real estate investments.

Securities Lending — STRS Ohio participates in a domestic and international securities lending program whereby securities are loaned to investment brokers/dealers (borrower). Securities loaned are collateralized by the borrower at 102% of the domestic equity and U.S. dollar-denominated fixed-income loaned securities' fair value and 105% of the international loaned securities' fair value.

STRS Ohio lends domestic equities, international equities, U.S. Treasuries, agencies and corporate bonds. The collateral received is cash, U.S. Treasuries or related agency securities. STRS Ohio cannot sell or pledge collateral received. If a borrower defaults, then the collateral can be liquidated.

A custodial agent bank administers the program and STRS Ohio receives a fee from the borrower for the use of loaned securities. Cash collateral from securities lending is invested in U.S. government agencies, repurchase agreements, commercial paper, asset-backed securities and corporate obligations.

Fair Value Subject to Foreign Currency Risk Held at June 30, 2025 and 2024 (in thousands)

	June 30, 2025				June 30, 2024			
Foreign Currency Denomination	International	Real Estate	Alternative Investments	High Yield & Emerging Markets Fixed Income	International	Real Estate	Alternative Investments	High Yield & Emerging Markets Fixed Income
Australian Dollar	$ 411,493		$ 58,720		$ 449,298		$ 75,401	
Brazilian Real	152,562			$ 704	174,416			
British Pound Sterling	960,671	$ (6,730)	48,064		1,018,267	$ (282)	11,127	
Canadian Dollar	573,109		31,208		453,205		31,208	
Chilean Peso	34,351				20,598			
Chinese Yuan Renminbi	162,334				181,996			
Colombian Peso	901				619			
Czech Republic Koruna	6,892				4,496			
Danish Krone	179,412				262,335			
Egyptian Pound	73			956	124			$ 1,107
European Union Euro	1,717,921	58,509	930,072	3,673	1,701,386	36,551	847,083	820
Hong Kong Dollar	1,249,434				813,718			
Hungarian Forint	16,122			469	12,615			
Indian Rupee	538,875				550,729			
Indonesian Rupiah	68,372				72,265			
Israeli Shekel	1,080				(20,969)			
Japanese Yen	1,461,442	(35,322)			1,517,933	(30,357)		
Kuwaiti Dinar	3,320				2,240			
Malaysian Ringgit	55,055				47,172			
Mexican Peso	81,554				88,584			
New Taiwan Dollar	858,779				901,930			
New Zealand Dollar	17,643				22,249			
Nigerian Naira				681	84			886
Norwegian Krone	47,070				49,130			
Philippines Peso	20,550				21,197			
Polish Zloty	16,484				30,298			
Qatari Rial	4,040				5,834			
Romanian Leu				478				505
Russian Ruble	19,441				8,623			
Saudi Arabia Riyal	55,604				36,896			
Singapore Dollar	103,484				88,865			
South African Rand	132,668				99,561			
South Korean Won	590,472				566,836			
Swedish Krona	170,394				166,106			
Swiss Franc	527,739				575,165			
Thailand Baht	67,442				70,491			
Turkish Lira	10,729			1,909	28,319			1,233
United Arab Emirates Dirham	44,364				20,431			
Uruguayan Peso								584
Vietnamese Dong					3,431			
Zimbabwean Dollar	454				654			
Held In Foreign Currency	**$ 10,362,330**	**$ 16,457**	**$ 1,068,064**	**$ 8,870**	**$ 10,047,127**	**$ 5,912**	**$ 964,819**	**$ 5,135**

The credit quality of the invested cash collateral is the same as the credit quality on STRS Ohio direct holdings. There are slight mismatches between the duration of the cash invested and the length of time the securities are on loan. As of June 30, 2025, the weighted average maturity of the invested cash collateral is 41 days. Much of the cash collateral is invested in floating rate securities and the weighted average number of days for interest rates to reset is one day as of June 30, 2025. STRS Ohio has minimized its exposure to credit risk due to borrower default by having the custodial agent bank determine daily that the required collateral meets the specified collateral requirements. There are no restrictions on the amount of securities that can be loaned. The fair value of loaned securities was $1,175.9 million and $558.2 million as of June 30, 2025 and 2024, respectively. The fair value of the associated invested cash collateral as of June 30, 2025 and 2024, was $1,176.4 million and $558.5 million, respectively.

Money-Weighted Rate of Return — The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested was 10.41% and 10.44% as of June 30, 2025 and 2024, respectively.

9. International Investments

Externally Managed — STRS Ohio has investments in international equity securities through the use of external money managers. It is the intent of STRS Ohio and the money managers to be fully invested; however, cash and short-term fixed-income investments may be held temporarily. The portfolios are managed in accordance with various mandates based on Morgan Stanley Capital International's (MSCI) indexes. Investments are held in both developed and emerging international markets.

Internally Managed:

Developed Markets, Emerging Markets — STRS Ohio actively invests in developed and emerging markets. The portfolio's active management adds value primarily through security selection and country allocation decisions using a variety of portfolio management approaches including quantitative and fundamental techniques. Aggregate exposures to countries, currencies, equity styles, and market capitalization are monitored and managed relative to their benchmark exposures.

Europe, Australasia and Far East (EAFE) Index Fund — To increase diversification in international developed markets, STRS Ohio invests in an EAFE Index Fund. The EAFE Index Fund purchases foreign equities, futures and other traded investments to replicate the makeup of the EAFE benchmark, consisting of MSCI World ex-U.S. 50% Hedged Index.

Equity Swaps — Three EAFE swap agreements were contracted during fiscal 2025 with maturity dates in fiscal 2025. In exchange for SOFR (Secured Overnight Financing Rate) minus a negotiated spread, STRS Ohio will receive or pay the difference of the change in the total return of the various market indices included in the swap agreements. Fixed-income securities with a notional amount of $713.4 million and $800.5 million has been set aside at the global subcustodial account as security as of June 30, 2025 and 2024, respectively.

Forward Contracts — Managers have the ability to add value through currency management. Forward currency contracts are used to minimize the impact of foreign currency fluctuations on the asset positions of foreign investments.

The fair values of international investments held at June 30, 2025 and 2024, are shown below.

Fair Values of International Investments Held at June 30, 2025 and 2024 (in thousands)

	June 30, 2025	June 30, 2024
Externally managed		
International stocks	$ 9,660,077	$ 9,669,246
International currency and liquidity reserves	203,111	168,180
Forward contracts	(139,711)	12,506
Total externally managed	**9,723,477**	**9,849,932**
Internally managed		
Developed markets	6,613,635	6,189,825
Emerging markets	3,223,668	2,547,726
EAFE Index Fund	1,256,484	1,083,673
EAFE equity swaps	739,791	815,703
EM equity swaps		30,270
Forward contracts	(33,930)	19,374
Total internally managed	**11,799,648**	**10,686,571**
Total international	**$ 21,523,125**	**$ 20,536,503**

10. Real Estate Investments

Direct — STRS Ohio properties are diversified among property type, geographic location and investment structure. Direct real estate is actively managed and targeted at 85% of the real estate portfolio. The portfolio is primarily managed internally with direct property investments representing most of the portfolio. Direct real estate investments include office, apartment, industrial and retail space.

Public Real Estate — Public real estate includes publicly traded real estate securities and real estate investment trusts (REITs). REITS are passively and actively managed and targeted at 15% of the real estate portfolio to enhance liquidity and diversification.

Non-Core Real Estate — Non-core real estate investments include opportunistic and international funds that invest in markets throughout the globe. Non-core real estate investments typically carry more risk with higher expected return.

Debt on Real Estate Investments — STRS Ohio uses debt to lower the cash outlay in acquiring real estate assets and to positively impact the performance of the real estate portfolio. STRS Ohio utilizes only direct borrowings that includes both recourse and non-recourse debt. Of the debt on real estate investments, $303 million was recourse debt as of June 30, 2025, and $428 million was recourse debt as of June 30, 2024. The remainder $1.69 billion and $1.73 billion at June 30, 2025 and 2024, respectively, is non-recourse debt, which means that in the event of default, the lender looks to only the real estate holding for repayment of the loan and not the general assets of STRS Ohio.

STRS Ohio's borrowings contain a provision that in the event of default, outstanding amounts may become immediately due depending on the nature of the default.

At June 30, 2025, the recourse loans of $303 million had a maturity date in May 2026. The interest rate on the recourse loans are based on a variable rate of 3% SOFR plus 1.3%.

Of the non-recourse debt at June 30, 2025, loan maturities range from August 2025 to January 2032.

The repayment schedule as of June 30, 2025, and changes in real estate debt as of June 30, 2025 and 2024, are shown in the following tables.

Real Estate Debt Repayment Schedule As of June 30, 2025 (in thousands)

By Fiscal Year	Principal	Interest
2026	$ 1,276,296	$ 64,882
2027	257,184	27,002
2028	152,175	19,659
2029	2,083	15,867
2030	112,272	11,563
2031-2032	195,973	12,427
Total	**$ 1,995,983**	**$ 151,400**

Real Estate Leases — STRS Ohio implemented GASB Statement 87, *Leases*. The real estate leases are investments meeting the requirements of GASB Statement 72 and are measured at fair value, therefore the recognition and measurement provisions of GASB Statement 87 are not applied.

Certain real estate investments are subject to mortgage debt, which is secured by an assignment of that investment's leases and the lease payments. Some of those leases allow the tenant to terminate its lease if certain events occur, which is accounted for in the fair value of the property.

Changes in Real Estate Debt (in thousands)

As of June 30, 2025

	Balance at June 30, 2024	Increase	(Decrease)	Balance at June 30, 2025
Direct borrowings				
Recourse	$ 428,000		$ (125,000)	$ 303,000
Non-recourse	1,728,924	$ 210,633	(246,574)	1,692,983
Total	**$ 2,156,924**	**$ 210,633**	**$(371,574)**	**$ 1,995,983**

As of June 30, 2024

	Balance at June 30, 2023	Increase	(Decrease)	Balance at June 30, 2024
Direct borrowings				
Recourse	$ 575,000		$ (147,000)	$ 428,000
Non-recourse	1,879,083	$ 26,429	(176,588)	1,728,924
Total	**$ 2,454,083**	**$ 26,429**	**$ (323,588)**	**$ 2,156,924**

11. Alternative Investments

Alternative investments involve separate allocations to private equity and opportunistic/diversified investments. Private equity is 100% actively managed and includes, but is not limited to, venture capital and leverage buyouts, mezzanine debt or distressed debt. Private equity investments may be made directly, through funds, fund of funds or as co-investments. Opportunistic/diversified investments are typically actively managed and are tactical in nature with a goal of downside protection during equity bear markets. The category can be liquid or illiquid and investments may be made directly, through funds, fund of funds or as co-investments.

12. Derivative Instruments

Equity and Over-the-Counter Swap Agreements — As discussed in Note 9, STRS Ohio has entered into international equity swap agreements. In addition, STRS Ohio has entered into over-the-counter (OTC) swap agreements for its alternative investments and domestic equities. No funds are exchanged at the inception of the swap agreements; however, STRS Ohio has purchased fixed-income securities equivalent to the initial notional amount of the agreements, which are located in the global subcustodial account as of June 30, 2025 and 2024. In addition, collateral is pledged between the parties during the term of the agreements to account for market movements.

The notional amount of the equity swap contracts was $713.4 million at June 30, 2025, and $800.5 million at June 30, 2024. The fair value of the equity swap contracts was $0.7 million at June 30, 2025, and $0.4 million at June 30, 2024, and is included in the *Statements of Fiduciary Net Position*. The notional amount of the OTC swap agreements was $26.3 million at June 30, 2025 and $28.4 million at June 30, 2024. The fair value of the OTC swap contracts was $0.7 million as of June 30, 2025 and $0.1 million as of June 30, 2024 and is included in the *Statements of Fiduciary Net Position*. The market risk of the swap is the same as if STRS Ohio owned the underlying

stocks that comprise the indexes. The revenues and expenses resulting from these agreements have been recorded in the basic financial statements.

Forward Contracts — Forward contracts in various currencies are used to transact and hedge foreign denominated investments at STRS Ohio. Additionally, forward contracts are used to hedge currency exposure as a result of the EAFE equity swap agreements. STRS Ohio is obligated to deliver the foreign currency at a certain dollar price sometime in the future. To fulfill this obligation at maturity, STRS Ohio must obtain the currency in the open market. Before the contract matures, STRS Ohio can enter into an offsetting forward contract that nets out the original contract. These events expose STRS Ohio to currency market risk, which can fluctuate. The fair value of the foreign currency forwards of –$180.8 million at June 30, 2025, and $33.1 million at June 30, 2024 is included in the *Statements of Fiduciary Net Position*. STRS Ohio is also subject to the risk that the counterparty will fail to fulfill the contract.

Futures — Index futures are designed to offer lower cost and more efficient alternatives to buying individual stocks that comprise the index. The market and credit risk of the futures were the same as if STRS Ohio had owned the underlying stocks that comprise the index. The realized gain or loss on index futures is included in net appreciation (depreciation) in fair value of investments in the *Statements of Changes in Fiduciary Net Position*.

Additionally, futures were used in the EAFE Index Fund and by external money managers. The system's notional exposure to future and forward contracts at June 30, 2025 and 2024, is shown in the following table.

Notional Exposure to Future and Forward Contracts Held at June 30, 2025 and 2024 (in thousands)

	June 30, 2025	June 30, 2024
Forward contracts		
Externally managed	$ 15,341,468	$ 14,301,626
Internally managed	5,846,256	4,679,377
Total forward contracts	**21,187,724**	**18,981,003**
Future contracts		
EAFE Index Fund	8,971	14,769
MSCI EAFE		160,158
MSCI Emerging		39,883
Russell Index Futures	16,547	5,679
S&P Index Futures	149,152	71,780
Externally Managed	112,998	77,666
Total future contracts	**$ 287,668**	**$ 369,935**

Options — STRS Ohio writes option contracts on existing stock positions to enhance the return on the stock portfolio. In exchange for a premium, STRS Ohio gives the option buyer the right to buy or sell the underlying stock. Options are also purchased to "cover" existing written open option positions. STRS Ohio did not hold any internal options contracts at June 30, 2025 or 2024. Additionally, options were utilized by external managers with a notional value of $1.7 billion at June 30, 2025 and $1.4 billion at June 30, 2024. The fair value of –$3.5 million at June 30, 2025 and –$8.2 million at June 30, 2024, is included in the *Statements of Fiduciary Net Position*.

Warrants — Warrants allow the right to purchase underlying stock shares at a specified price. Warrants are usually added on as an incentive to an issuer's fixed-income securities. STRS Ohio held warrants with a value of $0.3 million as of June 30, 2025, and $1.1 million at June 30, 2024, and is included in the *Statements of Fiduciary Net Position*.

Fixed-Income Credit Default Swaps — STRS Ohio may manage credit exposure through the use of credit default swaps. A credit default swap is a contract whereby the credit risk associated with an investment is transferred by entering into an agreement with another party who, in exchange for periodic fees, agrees to make payments in the event of a default or other predetermined credit event. One of the main advantages of a credit default swap is it allows for exposure to credit risk while limiting exposure to other risks, such as interest rate and currency risk. STRS Ohio held credit default swaps with a notional value of $57.9 million at June 30, 2025, and $33.6 million at June 30, 2024. The fair value of the credit default swaps was $3.2 million at June 30, 2025, and $1.3 million at June 30, 2024.

13. Pension Plan for Employees of STRS Ohio

All STRS Ohio employees are required to participate in a contributory retirement plan administered by Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer public employee retirement system that administers three pension plans that include a defined benefit plan, a defined contribution plan and a combined plan. Participation in these plans is a choice members make at the time their employment commences.

In 2012, the Ohio Legislature passed Senate Bill 343 to improve the financial condition of OPERS. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Retirement benefits are specific to each group and members must meet the eligibility requirements based on their age and years of service within the group. The key components to OPERS' pension plan changes are:

- Age and service requirements for retirement increased.
- Final average salary calculation increased to five years from three years.

- Calculation used to determine the benefit amount for service retirement was modified.
- COLA is based on the annual percentage change in the Consumer Price Index with a 3% cap.
- Calculation used for early retirement benefit is determined by OPERS' actuary.

Details about OPERS' plan changes and when they become effective can be found on its website at www.opers.org.

The member and employer contribution rates are 10.0% and 14.0% of covered payroll, respectively. The required employer contributions for the current year and the two preceding years are shown in the table below.

STRS Ohio Required Employer Contributions to OPERS

Year Ended June 30	Annual Required Contribution	Percent Contributed
2023	$8,345,453	100%
2024	$8,849,592	100%
2025	$8,816,555	100%

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires STRS Ohio to record a net pension liability based on its proportionate share of OPERS' total net pension liability. The net pension liability was measured as of Dec. 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. Likewise, STRS Ohio's proportionate share of OPERS' deferred outflows and deferred inflows of resources related to pensions and pension expense are recorded in the *Statements of Fiduciary Net Position* and *Statements of Changes in Fiduciary Net Position* for fiscal years ended June 30, 2025 and 2024.

For fiscal 2025 and 2024, deferred outflows were $33.6 million and $47.1 million, respectively, and are included in Miscellaneous Receivables; deferred inflows were $17.3 million and $23.9 million, respectively, and net pension liability was $73.1 million and $78.9 million, respectively, and are included in Net Pension and OPEB Liabilities in the *Statements of Fiduciary Net Position*. For fiscal 2025 and 2024, net pension income was $1.0 million and $0.6 million, respectively, and is included in Other Additions in the *Statements of Changes in Fiduciary Net Position*.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension income, information about the fiduciary net position of OPERS and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefits and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPERS also provides post-employment health care coverage which is considered an OPEB as described in GASB Statement No. 75. In addition to the legislation that made changes to the pension plan, the OPERS Board approved changes to the retiree health care plan with phased-in implementation dates over the next several years. OPERS has the discretion to direct a portion of employer contributions to fund retiree health care. The R.C. provides statutory authority for employer contributions. The employer rate allocated to post employment health care for the defined benefit plan and combined plan was 0% in calendar 2024 and 2023. The portion of the employer rate allocated to post employment health care for the defined contribution plan was 4% in calendar 2024 and 2023.

For fiscal 2025 and 2024, deferred outflows were $0.6 million and $2.6 million, respectively, and are included in Miscellaneous Receivables; deferred inflows were $0.9 million and $1.8 million respectively, and in fiscal 2025 and 2024, liabilities were $7.9 million and $3.1 million, respectively, and are included in Net Pension and OPEB Liabilities in the *Statements of Fiduciary Net Position*. For fiscal 2025 and 2024, net OPEB income was $3.7 million and $3.8 million, respectively, and is included in Other Additions in the *Statements of Changes in Fiduciary Net Position.*

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB income, information about the OPEB fiduciary net position of OPERS and additions to/deductions from the OPEB fiduciary net position of OPERS have been determined on the same basis as they are reported by OPERS. For this purpose, health care benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Historical trend information showing the progress of OPERS in accumulating sufficient assets to pay pension and OPEB benefits when due is presented in the OPERS *Annual Comprehensive Financial Report*. OPERS issues a publicly available financial report for the plans. The report may be found on its website at www.opers.org.

Schedule of Changes in Employers' Net Pension Liability
Fiscal Years Ended June 30, 2016–2025 (in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ 1,390,594	$ 1,329,067	$ 1,272,649	$ 1,344,767	$ 1,189,664	$ 1,150,526	$ 1,129,449	$ 1,075,334	$ 1,067,687	$ 1,058,987
Interest	7,531,570	7,369,189	7,196,379	7,158,610	7,171,680	7,108,056	7,036,514	6,974,353	7,611,942	7,472,169
Benefit changes	2,244,170	740,882	885,246	2,348,518	0	0	0	0	(12,353,691)	0
Difference between expected and actual experience	1,329,713	834,997	755,808	(42,146)	451,180	(133,569)	69,329	31,732	(239,322)	527,725
Changes in assumptions	0	0	0	(2,669,900)	4,433,797	0	0	0	6,494,408	0
Benefit payments and refunds of employee contributions	(8,231,305)	(7,807,727)	(7,591,502)	(7,466,930)	(7,327,202)	(7,293,669)	(7,298,405)	(7,303,802)	(7,211,006)	(7,317,113)
Net change in total pension liability	4,264,742	2,466,409	2,518,580	672,918	5,919,118	831,344	936,887	777,617	(4,629,982)	1,741,768
Total pension liability, beginning of year	110,249,314	107,782,905	105,264,325	104,591,406	98,672,288	97,840,944	96,904,057	96,126,440	100,756,422	99,014,654
Total pension liability, end of year	**114,514,056**	**110,249,314**	**107,782,905**	**105,264,325**	**104,591,406**	**98,672,288**	**97,840,944**	**96,904,057**	**96,126,440**	**100,756,422**
Fiduciary net pension position										
Member contributions	$ 2,018,833	$ 1,944,252	$ 1,884,375	$ 1,806,217	$ 1,706,818	$ 1,670,406	$ 1,623,095	$ 1,580,430	$ 1,537,677	$ 1,372,033
Employer contributions, including other retirement systems	2,146,807	2,038,136	1,980,127	1,932,372	1,803,178	1,746,249	1,702,154	1,634,027	1,590,869	1,545,103
Net investment income	9,465,149	8,656,028	7,014,835	(4,976,660)	21,212,679	2,692,076	4,847,517	6,737,457	9,233,930	372,871
Benefit payments and refunds	(8,231,305)	(7,807,727)	(7,591,502)	(7,466,930)	(7,327,202)	(7,293,669)	(7,298,405)	(7,303,802)	(7,211,006)	(7,317,113)
Administrative expenses	(78,089)	(70,957)	(74,066)	(66,308)	(65,811)	(65,761)	(64,118)	(63,307)	(63,652)	(67,065)
Net change in fiduciary net pension position	5,321,395	4,759,731	3,213,769	(8,771,309)	17,329,661	(1,250,699)	810,243	2,584,806	5,087,818	(4,094,171)
Fiduciary net pension position, beginning of year	91,007,699	86,247,968	83,034,199	91,805,507	74,475,846	75,726,545	74,916,302	72,371,226	67,283,408	71,377,579
Restatement of fiduciary net pension position*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(39,730)	N/A	N/A
Restatement of fiduciary net pension position, beginning of year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	72,331,496	N/A	N/A
Fiduciary net pension position, end of year	**96,329,094**	**91,007,699**	**86,247,968**	**83,034,199**	**91,805,507**	**74,475,846**	**75,726,545**	**74,916,302**	**72,371,226**	**67,283,408**
Net pension liability, end of year	**$ 18,184,962**	**$ 19,241,615**	**$ 21,534,937**	**$ 22,230,126**	**$ 12,785,899**	**$ 24,196,442**	**$ 22,114,399**	**$ 21,987,755**	**$ 23,755,214**	**$ 33,473,014**

*For purposes of determining net pension liability and related disclosures, fiduciary net position was not restated for earlier periods to reflect the adoption of GASB 75 in 2018 and GASB 68 in 2015.

Schedule of Employers' Net Pension Liability
Fiscal Years Ended June 30, 2016–2025 (dollar amounts in thousands)

Fiscal Year Ended	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Ratio of Fiduciary Net Position to Total Pension Liability	Covered Payroll *	Net Pension Liability as a Percentage of Covered Payroll
June 30, 2016	$100,756,422	$67,283,408	$33,473,014	66.8%	$11,099,607	301.6%
June 30, 2017	$96,126,440	$72,371,226	$23,755,214	75.3%	$11,557,147	205.5%
June 30, 2018	$96,904,057	$74,916,302	$21,987,755	77.3%	$11,923,688	184.4%
June 30, 2019	$97,840,944	$75,726,545	$22,114,399	77.4%	$12,296,800	179.8%
June 30, 2020	$98,672,288	$74,475,846	$24,196,442	75.5%	$12,671,208	191.0%
June 30, 2021	$104,591,406	$91,805,507	$12,785,899	87.8%	$12,929,843	98.9%
June 30, 2022	$105,264,325	$83,034,199	$22,230,126	78.9%	$13,624,858	163.2%
June 30, 2023	$107,782,905	$86,247,968	$21,534,937	80.0%	$14,211,882	151.5%
June 30, 2024	$110,249,314	$91,007,699	$19,241,615	82.5%	$14,674,763	131.1%
June 30, 2025	**$114,514,056**	**$96,329,094**	**$18,184,962**	**84.1%**	**$15,246,264**	**119.3%**

*Includes payroll for Defined Contribution and Alternative Retirement Plan participants.

Note: The schedules above include both the DB and DC Plans.

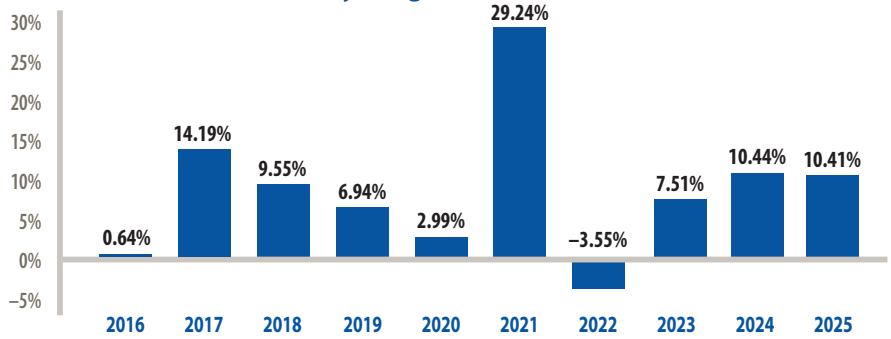
Schedule of Employers' Contributions — Pension
Fiscal Years Ended June 30, 2016–2025 (dollar amounts in thousands)

Fiscal Year	Actuarial Determined Contribution	Employer Contributions*	Contribution Deficiency (Excess)	Covered Payroll**	Contributions as a Percentage of Covered Payroll
2016	$1,178,129	$1,466,938	$(288,809)	$10,069,269	14.57%
2017	$1,054,862	$1,514,285	$(459,423)	$10,459,706	14.48%
2018	$1,056,430	$1,565,679	$(509,249)	$10,775,526	14.53%
2019	$1,088,328	$1,614,188	$(525,860)	$11,088,785	14.56%
2020	$1,081,662	$1,662,017	$(580,355)	$11,392,013	14.59%
2021	$1,028,799	$1,696,121	$(667,322)	$11,610,016	14.61%
2022	$1,037,935	$1,776,074	$(738,139)	$12,224,437	14.53%
2023	$871,602	$1,829,307	$(957,705)	$12,733,104	14.37%
2024	$930,789	$1,884,539	$(953,749)	$13,118,569	14.37%
2025	**$899,934**	**$1,952,301**	**$(1,052,367)**	**$13,584,827**	**14.37%**

*Employer contributions are the same as contractually required contributions.
**Excludes payroll from the Defined Contribution and Alternative Retirement Plans in order to report the amount needed to fund defined benefits.

Schedule of Investment Returns — Pension
Fiscal Years Ended June 30, 2016–2025

Money-Weighted Rate of Return*



*The money-weighted rate of return expresses investment performance with consideration of the impact of the timing and amounts invested.

Notes to Required Supplementary Information — Pension
Fiscal Years Ended June 30, 2025 and 2024

Valuation date	June 30, 2025	June 30, 2024
Actuarial cost method	Entry age normal	Entry age normal
Actuarial assumptions:		
Investment rate of return, net of investment expense, including inflation	7.00%	7.00%
Projected salary increases	Varies by service from 2.5% to 8.5%	Varies by service from 2.5% to 8.5%
Projected payroll growth	3.00%	3.00%
Inflation assumption	2.50%	2.50%
Cost-of-living adjustments	0.00%	0.00%

The information presented in the required supplemental schedules was determined as part of the actuarial valuations for the dates indicated. See accompanying independent auditors' report.

Schedule of Changes in Employers' Net OPEB Liability (Asset)
Fiscal Years Ended June 30, 2017–2025* (in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability									
Service cost	$ 75,534	$ 61,724	$ 26,796	$ 38,323	$ 284,137	$ 324,526	$ 338,776	$ 633,316	$ 225,094
Interest	226,865	199,836	134,747	196,820	167,884	174,040	164,544	320,157	277,562
Benefit changes	161,372	252,604	628,670	246,059	556,994	428,480	53,985	(3,340,847)	(1,065,891)
Difference between expected and actual experience	(98,542)	91,268	3,465	(94,797)	(116,611)	(329,525)	(7,285)	(109,227)	262,764
Changes in assumptions	850,155	(83,168)	229,245	(1,131,159)	130,045	(264,958)	40,616	(2,248,888)	(366,671)
Benefit payments, net of premiums and reimbursements	(208,972)	(90,928)	(165,088)	(95,860)	(340,926)	(408,683)	(489,169)	(517,470)	(489,102)
Net change in total OPEB liability	1,006,412	431,336	857,835	(840,614)	681,523	(76,120)	101,467	(5,262,959)	(1,156,244)
Total OPEB liability, beginning of year	3,269,878	2,838,542	1,980,707	2,821,321	2,139,798	2,215,918	2,114,451	7,377,410	8,533,654
Total OPEB liability, end of year	**4,276,291**	**3,269,878**	**2,838,542**	**1,980,707**	**2,821,321**	**2,139,798**	**2,215,918**	**2,114,451**	**7,377,410**
Fiduciary net OPEB position									
Health care premiums	0	0	0	0	0	295,779	312,841	329,305	339,056
Government reimbursements	148,074	91,900	100,515	97,713	96,478	81,876	84,789	107,197	79,357
Employer contributions	0	0	0	0	0	0	0	0	0
Net investment income	533,000	476,300	380,700	(261,500)	1,121,699	140,300	244,700	328,965	440,196
Benefit payments, net of premiums**	(357,047)	182,827	(265,603)	(193,572)	(183,390)	(490,559)	(489,169)	(517,470)	(565,962)
Administrative expenses	(2,644)	2,090	(2,248)	(2,340)	(2,344)	(2,258)	(2,352)	(2,427)	(2,496)
Net change in fiduciary net OPEB position	321,383	383,283	213,364	(359,699)	1,032,443	25,138	150,809	245,570	290,151
Fiduciary net OPEB position, beginning of year	5,166,687	4,783,404	4,570,040	4,929,739	3,897,296	3,872,158	3,721,349	3,475,779	3,185,628
Fiduciary net OPEB position, end of year	**5,488,071**	**5,166,687**	**4,783,404**	**4,570,040**	**4,929,739**	**3,897,296**	**3,872,158**	**3,721,349**	**3,475,779**
Net OPEB liability (asset), end of year	**$ (1,211,780)**	**$ (1,896,809)**	**$ (1,944,862)**	**$ (2,589,333)**	**$ (2,108,418)**	**$ (1,757,498)**	**$ (1,656,240)**	**$ (1,606,898)**	**$ 3,901,631**

*This is a 10-year schedule — however, the information is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.
**Beginning in fiscal 2021, health care premiums are reported against health care benefit payments.

Schedule of Employers' Net OPEB Liability (Asset)
Fiscal Years Ended June 30, 2016–2025 (dollar amounts in thousands)

Fiscal Year Ended	Total OPEB Liability	Fiduciary Net OPEB Position	Net OPEB Liability (Asset)	Ratio of Fiduciary Net OPEB Position to Total OPEB Liability	Covered Payroll	Net OPEB Liability (Asset) as a Percentage of Covered Payroll
June 30, 2016	$8,533,654	$3,185,628	$5,348,026	37.3%	$10,628,269*	50.3%
June 30, 2017	$7,377,410	$3,475,779	$3,901,631	47.1%	$10,767,964*	36.2%
June 30, 2018	$2,114,451	$3,721,349	$(1,606,898)	176.0%	$10,775,526	(14.9)%
June 30, 2019	$2,215,918	$3,872,158	$(1,656,240)	174.7%	$11,088,785	(14.9)%
June 30, 2020	$2,139,798	$3,897,296	$(1,757,498)	182.1%	$11,392,013	(15.4)%
June 30, 2021	$2,821,321	$4,929,739	$(2,108,419)	174.7%	$11,610,016	(18.2)%
June 30, 2022	$1,980,707	$4,570,040	$(2,589,333)	230.7%	$12,224,437	(21.2)%
June 30, 2023	$2,838,542	$4,783,404	$(1,944,862)	168.5%	$12,733,104	(15.3)%
June 30, 2024	$3,269,878	$5,166,687	$(1,896,809)	158.0%	$13,118,569	(14.5)%
June 30, 2025	**$4,276,291**	**$5,488,071**	**$(1,211,780)**	**128.3%**	**$13,584,827**	**(8.9)%**

*Covered payroll was based on the prior calendar year projected forward to the fiscal year end period.

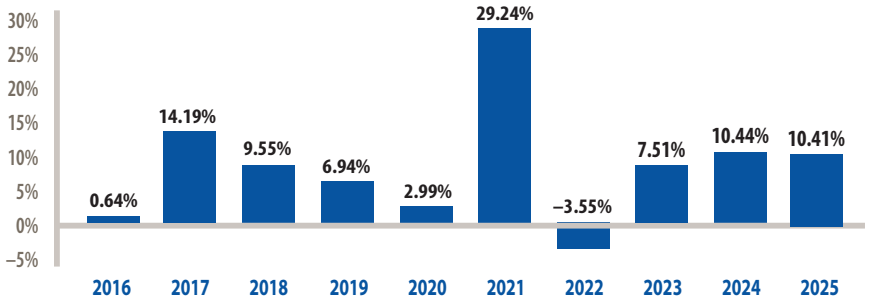
Schedule of Employers' Contributions — OPEB
Fiscal Years Ended June 30, 2017–2025* (dollar amounts in thousands)

Fiscal Year	Actuarial Determined Contribution	Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	$239,430	$0	$239,430	$10,767,964	0.00%
2018	$0	$0	$0	$10,775,526	0.00%
2019	$0	$0	$0	$11,088,785	0.00%
2020	$0	$0	$0	$11,392,013	0.00%
2021	$0	$0	$0	$11,610,016	0.00%
2022	$0	$0	$0	$12,224,437	0.00%
2023	$0	$0	$0	$12,733,104	0.00%
2024	$0	$0	$0	$13,118,569	0.00%
2025	**$0**	**$0**	**$0**	**$13,584,827**	**0.00%**

*This is a 10-year schedule — however, the information is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

Schedule of Investment Returns — OPEB
Fiscal Years Ended June 30, 2016–2025

Money-Weighted Rate of Return*



* The money-weighted rate of return expresses investment performance with consideration of the impact of the timing and amounts invested.

Notes to Required Supplementary Information — OPEB
Fiscal Years Ended June 30, 2025 and 2024

Valuation date	June 30, 2025	June 30, 2024
Measurement date	June 30, 2025	June 30, 2024
Amortization method	Level percentage of payroll	Level percentage of payroll
Actuarial cost method	Entry age normal	Entry age normal
Actuarial assumptions:		
Discount rate	7.00%	7.00%
Projected salary increases	Varies by service from 2.5% to 8.5%	Varies by service from 2.5% to 8.5%
Payroll increases	3.00%	3.00%
Trend rates	7.00% to 86.77%; 3.94% ultimate	–112.22% to 8.00%; 3.94% ultimate

The information presented in the required supplemental schedules was determined as part of the actuarial valuations for the dates indicated. See accompanying independent auditors' report.

Schedules of Administrative Expenses
For the Years Ended June 30, 2025 and 2024

	2025	2024
Personnel		
Salaries and wages	$ 42,071,047	$ 37,450,422
Retirement contributions	5,081,242	4,887,198
Benefits	6,062,438	7,112,001
Total personnel	**53,214,727**	**49,449,621**
Professional and technical services		
Computer support services	2,880,412	1,906,663
Health care services	628,004	575,131
Actuary	641,037	420,573
Auditing	179,640	143,653
Defined contribution administration fees	1,294,556	1,212,517
Legal	434,169	347,585
Temporary employment services	607,843	44,541
Total professional and technical services	**6,665,661**	**4,650,663**
Communications		
Postage and courier services	978,600	922,645
Printing and supplies	791,104	937,960
Telephone	302,713	414,731
Total communications	**2,072,417**	**2,275,336**
Other expenses		
Equipment repairs and maintenance	6,314,343	5,928,861
Building utilities and maintenance	1,244,943	1,206,355
Transportation and travel	168,486	127,621
Recruitment fees	506,881	99,766
Depreciation	8,714,644	7,683,823
Member and staff education	104,961	83,430
Insurance	1,032,522	982,536
Memberships and subscriptions	149,038	123,456
Ohio Retirement Study Council	303,103	315,276
Miscellaneous	240,321	120,516
Total other expenses	**18,779,242**	**16,671,640**
Total administrative expenses	**$ 80,732,047**	**$ 73,047,260**

Note: Above amounts do not include internal investment expenses, which are deducted from investment income and shown in a separate schedule on Page 40.

See accompanying independent auditors' report.

Schedules of Internal Investment Expenses
For the Years Ended June 30, 2025 and 2024

	2025	2024
Personnel		
Salaries and wages	$ 30,710,471	$ 31,245,878
Retirement contributions	3,735,313	3,962,394
Benefits	4,489,863	3,736,542
Total personnel	**38,935,647**	**38,944,814**
Professional and technical services		
Investment research	2,956,607	3,129,776
Financial asset advisors	920,620	820,782
Custody banking fees	1,676,715	1,582,366
Investment quotation systems	2,680,202	2,592,000
Total professional and technical services	**8,234,144**	**8,124,924**
Other expenses		
Printing and supplies	1,006	1,089
Building utilities and maintenance	190,885	191,913
Travel	297,142	260,985
Staff education	8,524	6,924
Memberships and subscriptions	102,330	89,344
Miscellaneous	403,241	94,685
Total other expenses	**1,003,128**	**644,940**
Total internal investment expenses	**$ 48,172,919**	**$ 47,714,678**

See accompanying independent auditors' report.

Schedules of External Asset Management Fees
For the Years Ended June 30, 2025 and 2024

	2025[1]	2024[1]
Asset class		
Fixed income	$ 5,860,773	$ 5,379,879
Domestic equities	10,960,556	11,117,719
International equities	37,065,368	37,706,169
Real estate	24,263,497	23,216,767
Alternative investments	197,670,155	186,941,365
Total external asset management fees	**$ 275,820,349**	**$ 264,361,899**

Note: All investment manager fees reported to STRS Ohio, whether directly invoiced or subtracted from the fund on a net basis, are reported as External Asset Management Fees in the *Statements of Changes in Fiduciary Net Position*. External asset management fees are net of management fee offsets. Carried interest, which represents the investment managers' share of the profits, and other fund expenses associated with externally managed real estate and alternative investments are reported in Net Appreciation (Depreciation) in Fair Value of Investments in the *Statements of Changes in Net Position*.

See accompanying independent auditors' report.

[1] Investment-related costs are reported as investment expenses, in the *Statement of Changes in Fiduciary Net Position*, if the investment-related costs are readily separable from investment income and the administration expense of the pension plan.

Investment Review

For Fiscal Year July 1, 2024, through June 30, 2025

Economic Environment

During fiscal 2025, the labor market normalized toward its long-term trend, supporting consumer demand. Moderating wage growth eased costs and helped lower inflation pressures. This enabled the U.S. Federal Reserve (Fed) to lower the Federal Funds rate by 100 basis points from 5.25%–5.50% to 4.25%–4.50% in the first half of the year. However, the Fed paused further cuts in the second half as inflation remained above its 2.0% long-term policy target.

Unemployment held steady in the 4.0%–4.2% range. Inflation, measured by the Personal Consumption Expenditures (PCE) Index, grew at a 2.6% annual rate, largely unchanged from fiscal 2024. The Fed's preferred inflation gauge, Core PCE Index that excludes volatile food and energy prices, grew at a 2.8% annual rate, which, too was the same as fiscal 2024. This lack of progress prompted the Fed to maintain rates in the second half, with concerns over higher tariffs reinforcing its stance.

Despite strong personal income growth and a tight labor market driving 2.7% growth in personal consumption and 4.0% growth in private non-residential business investment, real GDP growth slowed from an above-trend 2.6% annualized rate in the first half to a 1.6% rate in the second half due to volatility in trade, inventory accumulation and government spending. For the full fiscal year, real GDP grew 2.1%, slightly above trend but below the pace of the prior three years.

Total Fund

The STRS Ohio total fund returned 10.42% net of all fees versus the benchmark's return of 10.76%. Over the three prior fiscal years, the STRS Ohio total fund returned an annual average of 9.49% net of all fees versus the benchmark's return of 9.70%, while the total fund performance over the prior five fiscal years was 10.29% net of all fees versus the benchmark's 9.78%. During the past 10 fiscal years, the STRS Ohio total fund returned an annual average of 8.52% net of all fees versus the benchmark's return of 8.18%. A more complete report of STRS Ohio total fund performance appears on Page 63.

Fixed Income

In fiscal 2025, the return on the Bloomberg U.S. Universal Index , the Fixed Income Core portfolio's benchmark, was 6.51%. The fixed income asset class returns were driven by lower interest rates and tighter credit spreads. The highest returning sector was high yield (10.3%), followed by emerging markets (9.4%), commercial mortgage-backed securities (7.7%), investment grade corporates (6.9%), mortgage-backed securities (6.5%), asset-backed securities (6.3%), government related (6.2%), and treasuries (5.3%). The Liquid Treasury Portfolio's benchmark, the Bloomberg U.S. Intermediate Treasury Index, had a return of 6.3%.

In fiscal 2025, the STRS Ohio fixed-income asset class returned 6.79% versus the benchmark's return of 6.47%. Over the past three fiscal years, the STRS Ohio fixed income asset class had an annual average return of 3.47%, compared to the benchmark's return of 3.17%. The performance over the prior five fiscal years was 0.22% versus the benchmark's –0.10%. A more complete report of STRS Ohio performance appears on Page 63.

Domestic Equities

After shrugging off a correction related to global trade uncertainty in the second half of fiscal 2025, the U.S. equity market rose for the third consecutive fiscal year. The S&P 500 Index rose by

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15.1% to reach 6205. Growth stocks led the market with mid-cap growth stocks performing the best. Thematic stocks related to artificial intelligence (AI) and data center build-out performed well, while lower policy interest rates buoyed interest rate sensitive stocks. The financials sector (+29.3%) was the best performing group, followed by utilities (+23.4%), communication services (+23.0%), and industrials (+22.7%). Healthcare (–5.9%) and energy (–4.0%) were the only sectors with negative returns.

In fiscal 2025, the STRS Ohio domestic equities asset class returned 13.52% versus the Russell 3000® Index benchmark's return of 15.30%. Over the three prior fiscal years, the STRS Ohio domestic equities asset class returned an annualized 18.85% versus the benchmark's return of 19.08%. The STRS Ohio performance over the prior five fiscal years was 15.89% versus the benchmark return of 15.96%. A more complete report of STRS Ohio performance appears on Page 63.

International Equities

In fiscal 2025, the returns for international markets were in the mid-teens for the third consecutive fiscal year. The MSCI World ex-US Index (50% hedged) for developed markets increased 15.6% and the MSCI EM Index for emerging markets increased 15.3%. Both categories rebounded strongly in the last quarter of the fiscal year when the U.S. lowered tariff rates on imports from the levels announced in April 2025.

All countries except two in the developed markets recorded positive returns in U.S. dollar terms. The best performers were Israel (+54.2%), Austria (+54.0%) and Spain (+48.6%), and the worst were Denmark (–33.0%), New Zealand (-0.2%) and Netherlands (+1.1%). The weakness of the U.S. dollar overall against developed market currencies added to the returns. Among emerging markets, the three best returns were in Greece (+66.2%), Czech Republic (+61.9%) and Colombia (+52.3%) and the three worst returns were in Turkey (–20.4%), Indonesia (-5.4%) and Saudi Arabia (+0.3%).

During fiscal 2025, the STRS Ohio international asset class returned 17.59% versus the benchmark's return of 15.61%. Over the three prior fiscal years, STRS Ohio's international equities asset class has returned an annualized 16.34% versus the benchmark's return of 15.10%. STRS Ohio's performance over the prior five fiscal years was 13.30% versus the benchmark's return of 11.78%. A more complete report of STRS Ohio performance appears on Page 63.

Real Estate

The total real estate blended benchmark return was 5.05% in fiscal 2025 compared to –3.41% in fiscal 2024. The private real estate market component of the benchmark provided a total return of 4.2% and the return for the public benchmark component for the real estate market (REITs) was 8.6%. Income returns for the private market index increased from 4.6% to 4.8%, helping offset a –0.6% appreciation return, to arrive at 4.2% total return.

While policy interest rates decreased over the fiscal year, the private real estate market return continued to be marked by a cautious investor outlook reflecting the lingering effects of a higher interest rate environment. Asset values began either plateauing or improving slightly toward the second half of the fiscal year. In fiscal 2025, the STRS Ohio total real estate asset class returned –1.51% versus the benchmark's return of 5.05%, underperforming the benchmark by 6.56%. Over the prior three fiscal years, the STRS Ohio real estate total asset class earned an annual average return of –5.37% versus the benchmark's return of –1.39%. The STRS Ohio performance over the past five fiscal years was 2.22% versus the benchmark's 4.66%. A more complete report of STRS Ohio performance appears on Page 63.

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Alternative Investments

During fiscal year 2025, there were two portfolios within alternative investments: private equity and opportunistic/diversified. Through June 30, 2025, the target allocation for private equity was 9%. The target allocation for opportunistic/diversified was 10%, resulting in a combined target neutral weight for the total asset class of 19% of total fund.

The alternative investments asset class grew in fiscal year 2025, as positive investment performance in both the private equity and opportunistic/ diversified portfolios was partially offset by capital distribution activity that outpaced capital call activity. Private equity investment performance was positive across all sub-portfolios, led by the domestic private equity portfolio. Despite a contraction in the SOFR base rate over the fiscal year, positive opportunistic/ diversified investment returns were driven by residual effects of high interest rates, which contributed to elevated credit-related investment returns as well as positive absolute and relative returns of diversified investments.

The alternative investments asset class return was 7.94% in fiscal 2025 versus the benchmark's return of 6.75%. The return was driven by the strong relative performance of the opportunistic/ diversified portfolio, which generated a 10.91% return versus the Opportunistic/Diversified Blended Benchmark's return of 7.00%. That positive relative performance was partially offset by the relative underperformance of the private equity portfolio, which generated a 4.94% return compared to a Private Equity Benchmark return of 6.48%. Over the past three and five fiscal years, the STRS Ohio alternative investments asset class achieved annual average returns of 4.38% and 14.30%, respectively. A more complete report of STRS Ohio performance appears on Page 63.

Note on the Basis of Presentation

Investment fair values used in financial reporting and performance returns for STRS Ohio are presented on a different basis in this report for various reasons, consistent with the intended purpose of the measurement. Financial reporting follows US GAAP and performance reporting follows investment industry standards. See Page 53 for full details. See Page 54 for full Global Investment Performance Standards (GIPS) report.

Prepared by:
Investment Staff of the System

Statement of Investment Objectives and Policy

Effective June 12, 2025

1.0 Purpose

1.1 The State Teachers Retirement System of Ohio ("STRS Ohio") was established for the benefit of the teachers of the public schools of the State of Ohio. STRS Ohio is dedicated to partnering with STRS Ohio members to provide financial performance and member service to help build financial security for current and future retirees.

1.2 The State Teachers Retirement Board of Ohio (the "Board") is vested with the operation and management of the State Teachers Retirement System of Ohio ("STRS Ohio") (ORC Section 3307.04). The Board has the full power to invest the assets (the "Fund") of STRS Ohio (ORC Section 3307.15). The Board is required to ". . . adopt in a regular meeting, policies, objectives or criteria for the operation of the investment program . . ." (ORC Section 3307.15).

1.3 To fulfill the statutory requirement of ORC Section 3307.15, the Board has adopted this Statement of Investment Objectives and Policies (the "Investment Policy") to govern the investment of the Fund.

1.4 The Board regularly, but in no event less than annually, will assess the continued suitability of the Investment Policy, initiate change as necessary and update this Investment Policy accordingly.

1.5 The Board may authorize its administrative officers and committees to act for it in accord with its policies (ORC Sections 3307.04 and 3307.15).

1.6 In carrying out the operation and management of STRS Ohio, the Board, the Executive Director, the investment staff and others that are considered fiduciaries as defined in ORC Section 3307.01(K) are subject to various fiduciary responsibilities in ORC Chapter 3307, including, those found in ORC Sections 3307.15, 3307.151, 3307.18, and 3307.181. The Investment Policy incorporates, and is subject to, all provisions of ORC Chapter 3307.

1.7 The Board acknowledges its responsibilities under ORC Chapter 3307 and to the extent that the Investment Policy is inconsistent with ORC Chapter 3307, Chapter 3307 shall control.

1.8 The Board approved this Statement on June 12, 2025.

2.0 Key Documents

To assist the Board and the investment staff, the following key documents will be produced or reviewed according to the following schedule.

Exhibit 1: Key Document Schedule

Key Document	Document Source	Review Schedule
Quarterly Performance Review	Board Consultant	Quarterly
Statement of Investment Objectives and Policy	STRS Ohio Investment Staff/Reviewed by Board Consultant	Annually
Annual Plan (Includes Risk Budget)	STRS Ohio Investment Staff/Reviewed by Board Consultant	Annually
Actuarial Study	Actuary/STRS Ohio Finance Department	Annually
Asset/Liability Study and Experience Review	STRS Ohio Investment Staff/STRS Ohio Senior Staff/Board Consultant/ Actuary/Board	At least once in every quinquennial period
Statement of Fund Governance	STRS Ohio Investment Staff/ Board Consultant/ STRS Ohio Board	Infrequently or as prompted by the Board Consultant/ Ohio Retirement Study Counsel (ORSC)/Ohio legislative action
Investment Beliefs	STRS Ohio Investment Staff/ Board Consultant/ STRS Ohio Board	Infrequently or as prompted by the Board Consultant/ ORSC/Ohio legislative action

3.0 Total Fund Risk & Return Objectives

3.1 Subject to the Ohio Revised Code, the investment objectives for the total fund are:

(a) to earn, over moving 30-year periods, an annualized return that equals or exceeds the actuarial rate of return (ARR), approved by the Board to value STRS Ohio liabilities. The current actuarial rate of return is 7.00%;

(b) to earn a rate of return that equals or exceeds the System's long-term Total Fund blended benchmark return with an acceptable level of risk; and

(c) maintain sufficient liquidity to satisfy cash flow needs.

3.2 The Board believes, based on the assumptions in this Statement, that the investment policies summarized in this Statement will achieve this long-term actuarial objective at an acceptable level of risk. The Board evaluates risk in terms of the probability of not achieving the ARR over a 30-year time horizon

4.0 Asset Mix Policies and Return Expectations

4.1 Consistent with the Board's Investment Belief that "Investment diversification works," after careful consideration of the investment objectives, liability structure, funded status and liquidity needs of STRS Ohio, and the return, risk and risk-diversifying characteristics of different asset classes, the Board approved asset mix policies for both the STRS Ohio Defined Benefit Plan (Defined Benefit Plan) and the STRS Ohio Health Care Plan (Health Care Plan) as shown in Appendix A.

(a) For the avoidance of doubt, the 2025 Asset Liability Study recommended the same Asset Mix Policy for both the Defined Benefit Plan and the Health Care Plan.

(b) The 2025 Asset Liability Study recommended that changes to the policy mix established by the 2022 asset liability study be implemented over a 36-month period (the "Phase-in Period"), as shown in Appendix B.

4.2 Appendix A also summarizes the Board's return expectations for the asset mix policies and active management. From the 2025 Asset Liability Study, forecasts of capital market and active management returns undertaken by the Board's investment consultant indicate that the Board's asset allocations summarized in Appendix A has an expected ten-year annualized return of 6.96% (without net value added).

(a) For the avoidance of doubt, the 2025 Asset Liability Study recommended the same Phase-In Period for both the Defined Benefit Plan and the Health Care Plan.

5.0 Total Fund Asset Mix Policy Rebalancing Ranges

5.1 Exposures to selected asset classes are actively managed within the rebalancing ranges specified in Appendix A.

(a) Rebalancing ensures that the Fund's actual asset allocation remains close to the target asset mix policies.

(b) The Fund's actual asset allocation is monitored at least monthly relative to established asset mix policy targets and ranges. The timing and magnitude of rebalancing are decided by the Deputy Executive Director, Investments in consultation with Investments staff, with due consideration to the liquidity of the investments and the associated transaction costs.

(c) Liquidity reserves are kept at a minimum level, but sufficient to cover short-term cash flow needs. STRS Ohio investment staff may use a derivative overlay to maintain the liquidity reserve level at 1%.

6.0 Active Management Risk and Return Objectives at the Total Fund and Asset Class Levels

6.1 Active management risk is the deviation of an investment portfolio's returns from its benchmark index due to active management decisions.

6.2 From the 2025 Asset Liability Study, the STRS Ohio total fund policy return (blended benchmark) is 19.25% Russell 3000, 15.75% International Blended Benchmark, 21.5% Bloomberg US Universal Index, 5.5% Bloomberg US Intermediate Treasury Index, 3% Bloomberg US Long Treasury Index, 8% Real Estate Blended Benchmark, 9% Cambridge Associates Private Equity and Venture Capital Index, 10% Cambridge Associates Private Credit Index, 7% SG Multi Alternative Risk Premia Index, and 1% 90 day Treasury Bill. Benchmarks are shown in Appendix C.

(a) During any Phase-In Period, the STRS Ohio fund policy return will equal asset class benchmarks listed in Appendix C, measured at the weights shown in Appendix B as of the start of each period.

6.3 Consistent with the Board's Investment Belief that "Active and passive investing are both appropriate," STRS Ohio investment staff has been delegated the responsibility for managing the Fund's exposure to passive and active investment strategies, subject to the constraint that active risk does not exceed Board-approved target risk budgets for the total fund and individual asset classes.

(a) Passive management uses index funds to replicate the performance of global capital markets indices at low cost and with minimal variation in performance. Index funds control costs, are useful tools for evaluating active management strategies, capture exposure to the more efficient markets, and facilitate rebalancing to the asset mix policy.

(b) Active management is expected to earn higher returns than benchmark indices funds by making value-added security selection and asset mix timing decisions. Unsuccessful active management results in below index fund returns.

(c) Both active and passive strategies have a role in the portfolio. Passive strategies are used for low cost and diversified exposure to highly efficient asset classes where value added is difficult to achieve. Active management will be relied upon in those asset classes where STRS Ohio believes it can identify unique or compelling investments which may lead to above-market returns.

6.4 The Board has approved a target risk budget for total fund and for the public market asset classes including Fixed Income (including Core Plus Fixed Income, Liquid Treasury Portfolio and Long Treasury Portfolio), Domestic Equity, International Equity and Liquid Alternatives, as shown in Appendix C.

(a) Private equity, private credit and private real estate investments are traded infrequently and, therefore, risk budget concepts are not applicable.

(b) Short Sales, Derivatives and leverage may be used in the management of certain STRS Ohio asset classes; any use of Short Sales, Derivatives and leverage will adhere to asset

allocation restrictions and asset class active management risk budget constraints.

(c) Active risk will be evaluated compared to risk budgets on an ex-ante basis.

6.5 In exchange for assuming active risk in Fixed Income (including Core Plus Fixed Income, Liquid Treasury Portfolio and Long Treasury Portfolio), Domestic Equity, International Equity and Liquid Alternatives, the Board expects active management to add excess return over moving five-year periods to judge effectiveness, as shown in both Appendix A and C.

(a) The Board realizes that actual active management returns will likely be above or below the net targets over any five-year moving period and therefore will evaluate the success of STRS Ohio active management program within this context.

(b) The Board recognizes that any amount of management return in excess of the associated investment costs improves the security of STRS Ohio plan members.

7.0 Performance Measurement Criteria and Evaluation Standards

7.1 The Board and its agents use a variety of compliance, verification, and performance measurement tools to monitor, measure, and evaluate how well STRS Ohio assets are being managed. Monitoring, reporting, and evaluation frequencies range from live real time performance to daily, weekly, monthly, quarterly, and annualized performance for periods up to 20 years.

7.2 The Board has developed a performance monitoring and evaluation system that answers two fundamental fiduciary questions:

(a) Are the assets being prudently managed? More specifically, are assets being managed in accordance with established laws, policies, and procedures, and are individual investment managers in compliance with their mandates?

(b) Appendix D is an example of one of many reports that may be used by the Board to monitor and evaluate performance of the total fund

(i) Are the assets being profitably managed? More specifically, has performance affected benefit security (see Panel one which indicates whether the total fund return exceeded the actuarial rate of return)?

(ii) Has capital market risk been rewarded (Panel two)?

(iii) Has active management risk been rewarded (Panel three)?

7.3 If there is a deviation from Board policies, STRS Ohio investment staff is required to provide the Board with a report explaining how the deviation was discovered, the reasons for the deviation, the impact on Fund performance, if any, and steps taken to mitigate future occurrences.

7.4 Additional reports provide the Board with a multi-level view of investment activities at different levels and over different time horizons. These include:

Performance of the total fund;

Performance of individual asset class strategies;

Performance of internally and externally managed portfolios; and,

Performance of individual external managers.

8.0 Proxy Voting

8.1 Common stock proxies are valuable and should be voted in the best interest of STRS Ohio active and retired members.

8.2 The Board shall maintain stock proxy voting policies and has directed STRS Ohio investment staff and the proxy voting agents to use these policies as guidelines for voting common stock proxies held by the Fund.

9.0 Ohio Investments

9.1 The Board will give due consideration to investments that enhance the general welfare of the State of Ohio and its citizens provided that assets are invested in the best interest of STRS Ohio active and retired members. Preference will be given to Ohio investments offering competitive returns at risk levels comparable to similar investments currently available to the Board.

9.2 STRS Ohio investment staff shall maintain and implement an Ohio Investment Plan. The plan shall set forth procedures to assure that a special effort will be made by the STRS Ohio investment staff to examine and evaluate all legal investment opportunities in the state and, where policy criteria are satisfied, to acquire such investments.

10.0 Securities Lending

The Board may operate a securities lending program to enhance the income of the Fund. The program must be operated by a bank trustee who follows the custodial requirements of the Treasurer of the State of Ohio and each security lent must be fully collateralized. Results of the program must be reported to the Board annually.

11.0 Broker-Dealers

Purchases and sales of publicly traded securities shall be executed with broker-dealers from a list reviewed by the Board. In those rare situations where best execution cannot be achieved through a broker-dealer on the list, the Deputy Executive Director, Investments, may approve the use of a broker-dealer not on the list.

12.0 Ohio-qualified investment managers and brokers

The Board shall give equal consideration to smaller Ohio-headquartered broker-dealers or smaller broker-dealers with at least one Ohio office and broker-dealers owned and controlled by minorities and/or women, provided the assets are transacted in the best interest of STRS Ohio members. The Board has a goal to increase the use of Ohio qualified broker-dealers for the execution of domestic equity and fixed income securities transactions, when the services that Ohio-qualified broker-dealers provide are equal in quality, cost, scope, and execution capabilities to all broker-dealers approved to transact securities transactions on behalf of the Board.

13.0 Securities Litigation

The Board shall maintain a policy to determine the appropriate action to be taken when class action litigation is initiated against a company that generates a significant loss for the Board during the class period.

14.0 Security Valuation

Valuation of investments shall be the total of:

(a) The primary closing price on the principal registered stock exchange for all equity securities so listed.

(b) The official closing price as reflected by either the OTCBB (Over the Counter Bulletin Board) or the OTC Markets Group for equity securities not listed on a registered stock exchange.

(c) The current value as determined by a qualified independent service for all bonds, notes, and certificates of indebtedness, including accrued income.

(d) Amortized cost for commercial paper, certificates of deposit and repurchase agreements.

(e) Each internally managed real estate property initially valued at acquisition price. Subsequent valuations completed internally or externally as outlined in the Real Estate Valuation Policy Manual. Full, self-contained appraisals completed by an independent external appraiser no less than every third year

(f) The most recent external manager valuations for alternative investments and externally managed real estate updated to include current capital activity.

(g) International equity and external fixed income investments are valued by the subcustodian using relevant closing market prices and exchange rates and including accrued income for fixed income investments.

(h) Each internally managed private equity and private credit investment initially valued at acquisition price. Subsequent valuations completed internally as outlined in the Private Equity Valuation Policy Manual and Private Credit Valuation Policy Manual.

Appendix A.1: Asset Mix Policy and Return Expectations for STRS Ohio Defined Benefit Plan

Asset Class	Target Allocation[1]	Rebalancing Range (%)	Expected 10-Year Policy Returns[2]	Expected Active Management Net Returns[3]	Expected Total Return
Domestic Equities	**19.25%**	**+/–5**	**6.40%**	**0.13%**	**6.53%**
International Equities	**15.75%**	**+/–5**	**7.48%**	**0.50%**	**7.98%**
Private Equity	**9.00%**	**–3 / +5**	**9.80%**	**N/A** [4]	**9.80%**
Private Credit	**10.00%**	**+/–5**	**8.70%**	**N/A** [4]	**8.70%**
Liquid Alternatives	**7.00%**	**+/–5**	**5.20%**	**0.30%**	**5.50%**
Fixed Income					
Core Plus Fixed Income	21.50%	–5 / +6	5.10%	0.28%	5.38%
Liquid Treasury	5.50%	+/– 5.5	4.40%		
Long Treasury	3.00%	–3 / +5	5.00%		
Real Estate	**8.00%**	**+/– 4**	**6.20%**	**N/A** [4]	**6.20%**
Liquidity Reserve	**1.00%**	**–1 / +4**	**2.80%**		**2.80%**
Total Fund	**100%**		**6.96%**	**0.30%**	**7.26%**[5]

[1]The target allocation percentage became effective July 1, 2025 and is phased-in over a 36-month period, based on the "Phase- In Target Weights" table in the next section.

[2]The expected 10-year policy returns are based on the investment consultant's capital market assumptions as of February 2025.

[3]Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.

[4]There are no passive management implementation options within private markets. Since STRS Ohio private markets benchmarks are peer benchmarks, comprised of comparable private markets funds, they inherently include active management; accordingly, the portfolio's goal is to outperform the universe of similar private markets implementations.

[5]The 10-year total fund return forecast is 7.26% per year which includes the expected net value added by management and is based on the asset mix policy.

Appendix A.2: Asset Mix Policy and Return Expectations for STRS Ohio Health Care Plan

Asset Class	Target Allocation[1]	Rebalancing Range (%)	Expected 10-Year Policy Returns[2]	Expected Active Management Net Returns[3]	Expected Total Return
Domestic Equities	**19.25%**	**+/–5**	**6.40%**	**0.13%**	**6.53%**
International Equities	**15.75%**	**+/–5**	**7.48%**	**0.50%**	**7.98%**
Private Equity	**9.00%**	**–3 / +5**	**9.80%**	**N/A [4]**	**9.80%**
Private Credit	**10.00%**	**+/–5**	**8.70%**	**N/A [4]**	**8.70%**
Liquid Alternatives	**7.00%**	**+/–5**	**5.20%**	**0.30%**	**5.50%**
Fixed Income					
Core Plus Fixed Income	21.50%	–5 / +6	5.10%	0.28%	5.38%
Liquid Treasury	5.50%	+/– 5.5	4.40%		
Long Treasury	3.00%	–3 / +5	5.00%		
Real Estate	**8.00%**	**+/– 4**	**6.20%**	**N/A [4]**	**6.20%**
Liquidity Reserve	**1.00%**	**–1 / +4**	**2.80%**		**2.80%**
Total Fund	**100%**		**6.96%**	**0.30%**	**7.26%[5]**

[1]The target allocation percentage became effective July 1, 2025 and is phased-in over a 36-month period, based on the "Phase- In Target Weights" table in the next section.

[2]The expected 10-year policy returns are based on the investment consultant's capital market assumptions as of February 2025.

[3]Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.

[4]There are no passive management implementation options within private markets. Since STRS Ohio private markets benchmarks are peer benchmarks, comprised of comparable private markets funds, they inherently include active management; accordingly, the portfolio's goal is to outperform the universe of similar private markets implementations.

[5]The 10-year total fund return forecast is 7.26% per year which includes the expected net value added by management and is based on the asset mix policy.

Appendix B.1: Phase-in Period for STRS Ohio Defined Benefit Plan

Asset Class	2022 Asset Allocation	July 1, 2025	Oct. 1, 2025	Jan. 1, 2026	April 1, 2026	July 1, 2026	Oct. 1, 2026	Jan. 1, 2027	April 1, 2027	July 1, 2027	Oct. 1, 2027	Jan. 1, 2028	Asset Mix Policy April 1, 2028
Domestic Equity	**26.0%**	**25.5%**	**24.75%**	**24.0%**	**23.25%**	**22.5%**	**21.5%**	**20.5%**	**19.75%**	**19.5%**	**19.25%**	**19.25%**	**19.25%**
International Equity	**22.0%**	**21.75%**	**21.25%**	**20.5%**	**19.75%**	**19.0%**	**18.25%**	**17.75%**	**17.25%**	**16.75%**	**16.25%**	**15.75%**	**15.75%**
Private Equity	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**
Private Credit	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**
Liquid Alternatives		**1.0%**	**1.25%**	**1.75%**	**2.25%**	**2.75%**	**3.25%**	**3.75%**	**4.50%**	**5.25%**	**6.00%**	**6.75%**	**7.00%**
Core Plus Fixed Income	17.0%	18.0%	18.5%	19.0%	19.5%	20.0%	20.75%	21.5%	21.5%	21.5%	21.5%	21.5%	21.50%
Liquid Treasury Portfolio	5.1%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	6.0%	6.0%	6.0%	5.75%	5.50%
Long Treasury Portfolio		0.25%	0.75%	1.25%	1.75%	2.25%	2.75%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0 %
Real Estate	**10.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**
Liquidity Reserve	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**

Appendix B.2: Phase-in Period for STRS Ohio Health Care Plan

Asset Class	2022 Asset Allocation	July 1, 2025	Oct. 1, 2025	Jan. 1, 2026	April 1, 2026	July 1, 2026	Oct. 1, 2026	Jan. 1, 2027	April 1, 2027	July 1, 2027	Oct. 1, 2027	Jan. 1, 2028	Asset Mix Policy April 1, 2028
Domestic Equity	**26.0%**	**25.5%**	**24.75%**	**24.0%**	**23.25%**	**22.5%**	**21.5%**	**20.5%**	**19.75%**	**19.5%**	**19.25%**	**19.25%**	**19.25%**
International Equity	**22.0%**	**21.75%**	**21.25%**	**20.50%**	**19.75%**	**19.0%**	**18.25%**	**17.75%**	**17.25%**	**16.75%**	**16.25%**	**15.75%**	**15.75%**
Private Equity	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**
Private Credit	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**
Liquid Alternatives		**1.0%**	**1.25%**	**1.75%**	**2.25%**	**2.75%**	**3.25%**	**3.75%**	**4.50%**	**5.25%**	**6.00%**	**6.75%**	**7.00%**
Core Plus Fixed Income	17.0%	18.0%	18.5%	19.0%	19.5%	20.0%	20.75%	21.5%	21.5%	21.5%	21.5%	21.5%	21.50%
Liquid Treasury Portfolio	5.1%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	6.0%	6.0%	6.0%	5.75%	5.50%
Long Treasury Portfolio		0.25%	0.75%	1.25%	1.75%	2.25%	2.75%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0 %
Real Estate	**10.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**
Liquidity Reserve	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**

Appendix C.1: Benchmarks and Active Risk Budgeting for STRS Ohio Defined Benefit Plan

Asset Class	Benchmark[1]	Target Risk-Budget Range	Board Approved Risk-Budget Range	Expected Active Management Net Returns[2]
Domestic Equities	**Russell 3000 Index:**	**0.2–1.5%**	**0.2–1.5%**	**0.13%**
International Equities	**International Blended Benchmark:** –80% MSCI World ex-U.S. Index-Net (50% hedged currency) –20% MSCI Emerging Markets Index-Net	**0.6–2.5%**	**0.6–2.5%**	**0.5%**
Private Equity	**Cambridge Associates Private Equity & Venture Capital Index[3]**	**n/a[4]**	**n/a[4]**	**n/a[5]**
Private Credit	**Cambridge Associates Private Credit Index[3]**	**n/a[4]**	**n/a[4]**	**n/a[5]**
Liquid Alternatives	**SG Multi Alternative Risk Premia Index**	**4.0–10.0%**	**4.0–10.0%**	**0.3%**
Fixed Income				
Core Plus Fixed Income	Bloomberg U.S. Universal Index	0.1–1.5%	0.1–1.5%[6]	0.28%
Liquid Treasury Portfolio	Bloomberg U.S. Intermediate Treasury Index	0.0–0.25%	0.0–1.0%[6]	
Long Treasury Portfolio	Bloomberg U.S. Long Treasury Index	0.0–0.25%	0.0–1.0%[6]	
Real Estate	**Real Estate Blended Benchmark:** –85% NCREIF Fund Index — ODCE Value-Weight (Net) –15% FTSE NAREIT Equity *REITs* Index	**n/a[4]**	n/a[4]	
Liquidity Reserve	**90-Day Treasury Bill**			
Total Fund	**STRS Ohio Total Fund Policy Return (Blended Benchmark)**	**0.6–1.2%**	**0.2–1.6%[7]**	**0.3%**

[1]Blended benchmark measured over moving one- and five-year periods; all other benchmarks measured over moving five-year periods.

[2]Measured on an annualized basis.

[3]One quarter lagged to be consistent with external fund reporting.

[4]Private equity, private credit and private real estate investments are traded infrequently and, therefore, risk budget concepts are not applicable.

[5]There are no passive management implementation options within private markets. Since STRS Ohio private markets benchmarks are peer benchmarks, comprised of comparable private markets funds, they inherently include active management; accordingly, the portfolio's goal is to outperform the universe of similar private markets implementations.

[6]At times, it may be prudent to manage the portfolio to the upper end of the Board-approved risk budget range to accommodate the liquidity needs total fund.

[7]Working range.

Appendix C.2: Benchmarks and Active Risk Budgeting for STRS Ohio Health Care Plan

Asset Class	Benchmark[1]	Target Risk-Budget Range	Expected Active Management Net Returns[3]	Expected Active Management Net Returns[2]
Domestic Equities	**Russell 3000 Index:**	**0.2–1.5%**	**0.2–1.5%**	**0.13%**
International Equities	**International Blended Benchmark:** –80% MSCI World ex-U.S. Index-Net (50% hedged currency) –20% MSCI Emerging Markets Index-Net	**0.6–2.5%**	**0.6–2.5%**	**0.5%**
Private Equity	**Cambridge Associates Private Equity & Venture Capital Index[3]**	**n/a[4]**	**n/a[4]**	**n/a[5]**
Private Credit	**Cambridge Associates Private Credit Index[3]**	**n/a[4]**	**n/a[4]**	**n/a[5]**
Liquid Alternatives	**SG Multi Alternative Risk Premia Index**	**4.0–10.0%**	**4.0–10.0%**	**0.3%**
Fixed Income				
Core Plus Fixed Income	Bloomberg U.S. Universal Index	0.1–1.5%	0.1–1.5%	0.28%
Liquid Treasury Portfolio	Bloomberg U.S. Intermediate Treasury Index	0.0–0.25%	0.0–1.0%[6]	
Long Treasury Portfolio	Bloomberg U.S. Long Treasury Index	0.0–0.25%	0.0–1.0%[6]	
Real Estate	**Real Estate Blended Benchmark:** –85% NCREIF Fund Index — ODCE Value-Weight (Net) –15% FTSE NAREIT Equity *REITs* Index	**n/a[4]**	n/a[4]	**n/a[5]**
Liquidity Reserve	**90-Day Treasury Bill**			
Total Fund	**STRS Ohio Total Fund Policy Return (Blended Benchmark)**	**0.6–1.2%**	**0.2–1.6%[7]**	**0.3%**

[1]Blended benchmark measured over moving one- and five-year periods; all other benchmarks measured over moving five-year periods.

[2]Measured on an annualized basis.

[3]One quarter lagged to be consistent with external fund reporting.

[4]Private equity, private credit and private real estate investments are traded infrequently and, therefore, risk budget concepts are not applicable.

[5]There are no passive management implementation options within private markets. Since STRS Ohio private markets benchmarks are peer benchmarks, comprised of comparable private markets funds, they inherently include active management; accordingly, the portfolio's goal is to outperform the universe of similar private markets implementations.

[6]At times, it may be prudent to manage the portfolio to the upper end of the Board-approved risk budget range to accommodate the liquidity needs total fund.

[7]Working range.

Appendix D.1: EXAMPLE Total Fund Trustee Summary Report, as of June 30, 2024

Experienced Returns	Annualized Rates of Return				
	1 Year	3 Years	5 Years	10 Years	20 Years
Have returns affected funded ratio?					
1. Total fund return*	**10.66%**	**4.73%**	**8.90%**	**8.14%**	**8.07%**
2. Actuarial discount rate***	**7.00%**	**7.00%**	**7.18%**	**7.41%**	**7.68%**
3. Relative performance (1–2)	**3.66%**	**2.27%**	**1.72%**	**0.74%**	**0.39%**
Has plan been rewarded for capital market risk?					
4. Total fund blended benchmark return*	**10.75%**	**4.00%**	**8.21%**	**7.61%**	**7.73%**
5. Minimum risk/high opportunity cost policy of 91-day T-Bills	**5.40%**	**3.03%**	**2.16%**	**1.51%**	**1.52%**
6. Impact of asset mix policy (4–5)	**5.35%**	**0.97%**	**6.05%**	**6.10%**	**6.21%**
Has plan been rewarded for active management risk?					
7. Active management return (1–4)*	**–0.09%**	**0.73%**	**0.69%**	**0.53%**	**0.34%**
8. Net active management return estimated**	**–0.22%**	**0.60%**	**0.56%**	**0.40%**	**0.22%**

* Gross returns are net of transaction costs and gross of management fees, except for alternative investments & real estate where the return is also net of all external investment management fees and costs, including carried interest and other fund expenses.

** Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.

***The actuarial rate of return assumption was decreased from 7.45% to 7.00%, effective as of June 30, 2021.

The STRS Ohio real estate return includes the use of leverage.

The STRS Ohio total fund policy return (blended benchmark) is 19.25% Russell 3000, 15.75% International Blended Benchmark, 21.5% Bloomberg US Universal Index, 5.5% Bloomberg US Intermediate Treasury Index, 3% Bloomberg US Long Treasury Index, 8% Real Estate Blended Benchmark, 9% Cambridge Associates Private Equity and Venture Capital Index, 10% Cambridge Associates Private Credit Index, 7% SG Multi Alternative Risk Premia Index, and 1% 90-day Treasury Bill as of July 1, 2025, as adjusted over the Phase-In Period.

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Statement of Fund Governance

Effective June 12, 2025

1.0 Purpose

1.1 This Statement of Fund Governance (the "Statement") summarizes the governance structure established by the Board of the State Teachers Retirement Board of Ohio (the "Board") to ensure the prudent, effective and efficient management of the assets of the State Teachers Retirement System of Ohio ("STRS Ohio").

1.2 The fund governance structure was approved by the Board after careful consideration of alternative approaches to governing a very large and growing pension fund within an increasingly complex financial and investment environment.

1.3 The Statement has been prepared with five audiences in mind: incumbent, new and prospective Board members; STRS Ohio investment staff; STRS Ohio active and retired members; the Ohio General Assembly and Governor; and agents engaged by the Board to manage, administer or advise on STRS Ohio's assets ("Fund").

1.4 The Statement summarizes more detailed policy documents and procedure documents prepared and maintained by STRS Ohio investment staff, and numerous other documents that govern the day-to-day management of STRS Ohio assets.

1.5 The Board regularly assesses the continued suitability of the STRS Ohio fund governance structure, initiates change as necessary and updates this Statement accordingly.

1.6 The Board may authorize its administrative officers and committees to act for it in accord with its policies (Ohio Revised Code [ORC] Sections 3307.04 and 3307.15). The Board, no less frequently than annually, adopts a resolution delegating to the Executive Director and the Deputy Executive Director — Investments the authority to acquire, dispose, operate and manage the assets of the Fund, subject to the Board's policies and to subsequent approval by the Board.

1.7 In carrying out the operation and management of STRS Ohio, the Board, the Executive Director, the investment staff and others that are considered fiduciaries as defined in ORC Section 3307.01(K) are subject to various fiduciary responsibilities in ORC Chapter 3307, including those found in ORC Sections 3307.15, 3307.151, 3307.18 and 3307.181. This Statement incorporates, and is subject to, all provisions of ORC Chapter 3307.

1.8 The Board acknowledges its responsibilities under ORC Chapter 3307 and to the extent that this Statement is inconsistent with ORC Chapter 3307, Chapter 3307 shall control.

1.9 The Board approved this Statement on June 12, 2025.

2.0 Governance Principles

2.1 Three principles guided the Board's development of the STRS Ohio fund governance structure:

(a) As STRS Ohio governing fiduciary, the Board is ultimately accountable for all investment decisions. Section 3307.15 of the Ohio Revised Code (the "Code") vests the investment function in the Board and requires the Board to ". . . adopt, in regular meetings, policies, objectives, or criteria for the operation of the investment program . . ." Section 3307.15 of the Code sets forth the fiduciary responsibility of the Board in discharging its duties with respect to the fund.

(b) To ensure STRS Ohio assets are prudently, profitably and efficiently managed on a day-to-day basis, the Board needs to delegate the management and implementation of Board investment policies to qualified managing and operating fiduciaries. Sections 3307.04 and 3307.15 of the Code empower the Board to authorize its committees and administrative officers to act for it in accord with Board policies. The fiduciary responsibility the Board delegates in discharging their duties with respect to the fund is specified in Section 3307.15.

(c) To ensure effective oversight of delegates, the Board requires informative and timely performance reports that reveal if managing and operating fiduciaries have complied with established policies, and indicate how assets under their care have performed relative to Board-approved investment objectives.

3.0 Investment Decisions Retained by the Board

3.1 The Board approves the following investment policies:

(a) Statement of Investment Objectives and Policy, which includes the following:

(i) Total fund risk and return objectives;

(ii) Total fund target asset mix policy;

(iii) Total fund asset mix policy rebalancing ranges;

(iv) Active management risk and return objectives at the total fund and asset class levels; and

(v) Performance measurement criteria and evaluation standards.

(b) Proxy voting;

(c) Ohio investments;

(d) Securities lending;

(e) Broker-dealer selection criteria and procedures;

(f) Ohio-qualified investment managers and brokers; and

(g) Securities litigation.

3.2 Before approving or amending policy decisions, the Board seeks advice, guidance and recommendations from STRS Ohio investment staff, Board-retained investment consultants, and other experts or sources as considered prudent by the Board.

4.0 Investment Decisions Delegated to Investment Staff

4.1 The Board, through the Executive Director, has delegated to qualified STRS Ohio investment staff the following investment management and implementation decisions:

(a) Buying, selling, managing and monitoring individual securities, real assets and/or other investment transactions to achieve the total fund and asset class investment objectives approved by the Board;

(b) Retaining, managing and terminating external investment managers within each asset class as required to achieve the total fund and asset class investment objectives approved by the Board;

(c) Ensuring total fund, asset class and individual manager portfolios comply with established parameters and risk levels; and

(d) Preparing, negotiating and executing external investment manager mandates, guidelines and fee agreements.

(e) Investment staff will determine the most suitable fund management approach, internal or external, by assessing internal capabilities, comparing costs and benefits, and considering potential external collaborations.

4.2 In making these decisions, STRS Ohio investment staff seeks the advice, guidance and recommendations of Board-retained investment consultants, external investment managers, and other experts and sources as considered prudent by STRS Ohio staff.

5.0 Board Oversight

5.1 The Board requires investment staff to prepare and deliver an Annual Investment Plan that explains how STRS Ohio assets will be managed in order to achieve the Board-established investment objectives. This provides the Board a focused opportunity to:

(a) Question and comment on staff's investment management plans;

(b) Request additional information and support about staff's investment intentions; and

(c) Express its confidence in the Annual Investment Plan.

5.2 The Board meets at least quarterly to assess how assets are being managed relative to the Annual Investment Plan, to monitor and evaluate investment performance relative to objectives and to address other investment issues as are warranted.

5.3 The Board approves the criteria and standards for monitoring and evaluating the impact different investment decisions have on total fund, asset class and manager-level performance. Performance is monitored and evaluated with respect to risk and return objectives established by the Board.

(a) Investment risks are monitored and evaluated quarterly by comparing total fund and asset class risk characteristics relative to suitable benchmarks.

(b) Investment returns are monitored monthly and evaluated quarterly by comparing total fund and asset class returns relative to suitable benchmarks.

5.4 External management fees are reviewed annually by the board. To facilitate this review staff and consultants prepare and deliver an annual review.

5.5 Before approving or amending the criteria for monitoring and evaluating investment decisions, the Board seeks advice, guidance and recommendations from STRS Ohio investment staff, Board-retained investment consultants, and other experts and sources as considered prudent by the Board.

Basis of Presentation

Investment fair values used in financial reporting and performance returns for STRS Ohio are presented on a different basis in this report for various reasons, consistent with the intended purpose of the measurement. Therefore, it is important to understand the methodology used for financial reporting and performance reporting.

In both the Financial and Investments sections, unless otherwise noted, the financial reporting of investment fair values are reported in accordance with U.S. Generally Accepted Accounting Principles to most accurately assess the financial condition as of a point in time. The primary difference between financial reporting and the basis for investment performance are the categorization of investments and different timing of recognition of performance for certain investments. Consistent with investment industry practices for performance reporting, private fund investment values and performance are reported on a quarter lag. For financial reporting purposes, adjustments are made to bring the lagged valuations current to the fiscal year-end. Both sets of numbers are relevant but reflect different methodologies and serve different purposes.

Performance returns reported throughout the Financial and Investments sections of this report are prepared using time-weighted rates of return, unless otherwise noted. Total fund net returns are reported and are net of all internal and external investment management fees and costs, including carried interest and other fund expenses. Asset class performance is gross returns, except for alternative investments and real estate where the return is net of all external investment management fees and costs, including carried interest and other fund expense. Returns for periods longer than one year are annualized. The reporting of performance information is consistent with investment industry standards and is presented in a manner consistent with such information presented by the global financial markets, other pension plans and institutional investors. This method of presentation provides timely performance reporting that facilitates comparisons to benchmarks and peer results.

Verification and Performance Examination Report

We have verified whether State Teachers Retirement System of Ohio (the "Asset Owner") has, for the periods from July 1, 2006 through June 30, 2025, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and total fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on an asset owner-wide basis. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. We have also examined the Asset Owner's Total Fund for the periods from July 1, 2006 through June 30, 2025.

The Asset Owner's management is responsible for its claim of compliance with the GIPS standards, the design and implementation of its policies and procedures, and for the accompanying Total Fund's GIPS asset owner report. Our responsibilities are to be independent from the Asset Owner and to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards, which includes testing performed on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from July 1, 2006 through June 30, 2025, the Asset Owner's policies and procedures for complying with the GIPS standards related to composite and total fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on an asset owner-wide basis.

Also, in our opinion, the Asset Owner has, in all material respects:

- Constructed the Total Fund and calculated the Total Fund's performance for the periods from July 1, 2006 through June 30, 2025 in compliance with the GIPS standards; and
- Prepared and presented the accompanying Total Fund's GIPS asset owner report for the periods from July 1, 2015 through June 30, 2025 in compliance with the GIPS standards.
- Calculated and presented the Supplemental Information included in the accompanying Total Fund's GIPS asset owner report for the periods from July 1, 2024 through June 30, 2025 in compliance with the GIPS standards.

This report does not relate to or provide assurance on any specific performance report of the Asset Owner other than the Asset Owner's accompanying Total Fund GIPS asset owner report, or on the operating effectiveness of the Asset Owner's controls or policies and procedures for complying with the GIPS standards.

ACA Group

ACA Group, Performance Services Division

August 22, 2025

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State Teachers Retirement System of Ohio
Total Fund
July 1, 2015 through June 30, 2025

Total Fund as of June 30

Fiscal Year	Gross Return (%)	Net Return (%)	Benchmark Return (%)	% of Externally-Managed Assets (%)	Total Composite Assets ($ millions)
2025	10.56	10.42	10.76	32	100,613
2024	10.66	10.53	10.75	34	95,278
2023	7.68	7.55	7.62	36	90,063
2022	-3.61	-3.73	-5.62	36	87,616
2021	29.28	29.16	27.98	34	94,832
2020	3.14	3.01	3.07	31	77,080
2019	7.13	6.99	7.30	30	78,851
2018	9.57	9.43	8.94	30	77,750
2017	14.29	14.15	13.52	29	75,060
2016	0.92	0.78	0.67	30	69,861

State Teachers Retirement System of Ohio ("STRS Ohio") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. State Teachers Retirement System of Ohio ("STRS Ohio") has been independently verified for the periods from July 1, 2006 through June 30, 2025. An asset owner that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the asset owner's policies and procedures related to total fund and composite maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on an asset-owner-wide basis. The Total Fund has had a performance examination for the periods July 1, 2006, through June 30, 2025. The verification and performance examination reports are available upon request.

Accompanying Notes

1. For the purpose of complying with the GIPS standards, the firm is defined as the State Teachers Retirement System of Ohio ("STRS Ohio"), which was established in 1919 by the Ohio General Assembly and is the sponsor and manager of assets for the State Teachers Retirement System of Ohio. The Total Fund was created and incepted in 1919.

2. The Total Fund includes all discretionary assets managed by STRS Ohio for the benefit of participants in the State Teachers Retirement System of Ohio. The strategy reflects an actual asset allocation to the following asset classes as of June 30, 2025: Liquidity Reserves 1.5%, Fixed Income 23.9%, Domestic Equities 25.5%, International Equities 21.7%, Real Estate 7.8%, and Alternative Investments 19.6%. The assets of STRS Ohio are managed in accordance with the risk budget for the Total Fund and the individual asset classes. The investment objective for the Total Fund is to earn, over moving thirty-year periods, an

annualized return that equals or exceeds the actuarial rate of return, approved by the State Teachers Retirement Board ("Board") to value STRS Ohio liabilities. Effective as of the June 30, 2022, actuarial valuation, the actuarial investment return assumption is 7.00%. The Board-approved asset allocation policy from the 2022 Asset Liability Study was adopted after careful consideration of the investment objectives, liability structure, funded status, and liquidity needs of STRS Ohio, and the return, risk, and risk-diversifying characteristics of different asset classes. STRS Ohio hires external managers to manage selected portfolios. The percentage of externally-managed assets for the Total Fund as of June 30 for the past 10 fiscal years is disclosed on page 1. Descriptions of the asset classes are as follows:

Fixed Income: The Fixed Income asset class is generally fully invested in fixed income instruments and includes a core fixed income portfolio as well as a liquid treasury portfolio. The core fixed income portfolio is reflective of the Bloomberg U.S. Universal Index, composed of the following issuers: U.S. Government and related agencies; mortgage-backed and asset-backed issuers; foreign issuers; corporations, including investment grade and high yield; and emerging market debtors. The methodology employed emphasizes fundamental economic, portfolio, and security analysis to manage sector weightings and maturity distributions. The strategy of the liquid treasury portfolio is to provide liquidity to meet the rebalancing and cash flow needs of the Total Fund. The fixed income asset class seeks diversification by market sector, quality, and issuer. The asset class is primarily managed internally, with external managers utilized in specialist segments of the market, such as high yield and emerging market debt. Derivatives may be used to adjust the exposure to interest rates, individual securities, or various market sectors in the fixed income portfolio. Underlying exposure of derivatives for fixed income investments may not exceed 5% of Total Fund assets. As of June 30, 2025, fixed income derivative positions were 0.14% as a percentage of Total Fund assets. STRS Ohio has given its internal and external managers discretionary authority to manage the assets in the account, including, but not limited to, futures, options, currency, and swaps. STRS Ohio enters into forward currency contracts for hedging purposes.

Domestic Equities: The Domestic Equities asset class includes domestic and international common stocks traded on U.S. exchanges, American depository receipts (ADRs), real estate investment trust shares (REITs), and domestic equity derivatives (including, but not limited to, futures, stock options, and index options). Sector tilts by style, economic sectors, or market capitalization are managed in accordance with the risk budget for domestic equities. A variety of portfolio management approaches including quantitative and fundamental techniques are used to diversify the source of excess return. The asset class utilizes a combination of active and passive management and multiple internal and external portfolio managers to improve the likelihood of achieving excess returns, diversifying risk, and controlling costs. STRS Ohio will invest no more than 3% of the Total Fund in equities of any one company. Underlying exposure of equity derivatives may not exceed 10% of Total Fund assets. As of June 30, 2025, domestic equity derivative positions were 0.16% as a percentage of Total Fund assets.

International Equities: The International Equities asset class is a diversified portfolio including both developed and emerging countries. Portfolios consist of international equities including international common stocks traded on U.S. exchanges, ADRs and ordinaries, international depository receipts (IDRs), Global Depository Receipts (GDRs), country funds, international equity derivatives (including, but not limited to, stock options and index options), and some short-term debt instruments. The asset class emphasizes quantitative and fundamental management approaches and exposures to security selection and country allocation decisions. Internal and external managers have the ability to add value through currency management. Aggregate exposures to countries, currencies, equity styles, and market capitalization are monitored and managed relative to their benchmark exposures and the risk budget. The portfolio utilizes a combination of internal and external management to improve the likelihood of achieving excess returns, diversify risk, and control costs.

Underlying exposure of derivatives for international equities may not exceed 10% of Total Fund assets. As of June 30, 2025, international equity derivative positions were 0.75% as a percentage of Total Fund assets. STRS Ohio has given its internal and external managers discretionary authority to manage the assets in the

account including, but not limited to, financial, currency, and stock index futures, equity swaps, and options on futures and other securities. STRS Ohio invests in international equity swaps through its internally managed program and this represents the primary exposure of derivatives used in this asset class, at 0.74% of Total Fund assets as of June 30, 2025. The STRS Ohio international equity swaps are unleveraged derivative instruments that are constructed to replicate the effect of investing directly in foreign equity markets. The swap contracts entitle STRS Ohio to receive the US dollar return (including currency fluctuations) of a single market index or basket of indexes. In exchange, STRS Ohio is obligated to pay a short-term cash return. The market risk of the swaps is comparable to owning the underlying stocks that comprise the indexes. STRS Ohio also enters into forward currency contracts for hedging purposes.

Real Estate: Real estate investments are primarily investments in direct properties that are diversified between property type, geographic location, and investment ownership structure and are internally managed. Typically, higher risk/return strategies such as opportunistic commingled funds, both domestic and international, are managed by external real estate managers and are limited to 30%. During fiscal 2023, publicly traded real estate securities were transitioned from passively managed internally to actively managed with both internal and external management utilized. Public real estate is targeted at 15% of the real estate asset class to enhance liquidity and diversification. Private real estate is 100% actively managed because index funds replicating the real estate broad market are not available. STRS Ohio may borrow funds on a secured or unsecured basis and leverage is limited to 50% of the internally managed direct real estate assets. On June 30, 2025, and 2024, debt as a percentage of these assets was 28.6% and 29.2%, respectively. The debt as a percentage of assets calculation has changed for the periods shown to reflect the portion of debt attributed to STRS Ohio. Derivatives may be used and cannot exceed 1% of total assets. As of June 30, 2025, real estate derivative positions were 0.00% as a percentage of Total Fund assets. Due to the nature of real estate investments, all private real estate is valued using market-based inputs that are comparable but subjective in nature due to the lack of widely observable inputs.

Alternative Investments: Alternative investments consist of private equity and opportunistic/diversified investments. Private equity investments primarily include venture capital, growth equity, and leveraged buyout opportunities and are 100% actively managed because index funds are not available. Private equity risk is diversified by investing across vintage years, industry sectors, investment size, development stage, and geography, in addition to investing in sector-focused, and international funds. STRS Ohio typically invests as a limited partner in closed-end partnerships. Private equity investments are managed by general partners with strong deal flow, specialized areas of expertise, established or promising net of fees track records, and fully disclosed and verifiable management procedures.

Opportunistic/diversified investments are being managed to exceed a blend of private market benchmarks over moving 5-year periods. Investments in this category can be liquid or illiquid and are tactical in nature. Opportunistic/diversified investments are actively managed because index funds are not available. Downside protection and asset class risk diversification are targeted by investing across different types of opportunistic/diversified investments. Opportunistic/diversified investments may be made directly, through fund-of-funds, or as co-investments.

Due to the nature of alternative investments, substantially all investments in this asset class are valued using market-based inputs that are comparable but subjective in nature due to the lack of widely observable inputs. Underlying exposure of derivatives for alternative investments may not exceed 10% of Total Fund assets. As of June 30, 2025, alternative investment derivative positions were 0.04% as a percentage of Total Fund assets. STRS Ohio utilizes both listed and over-the-counter (OTC) options, futures, and swaps with the S&P 500 Index as the underlying exposure. These positions are used for both hedging and positioning purposes.

Liquidity Reserves: The liquidity reserves portfolio is intended to obtain a high level of current income consistent with the preservation of principal and liquidity. Investments generally consist of U.S. dollar-denominated short-term securities of corporations that are rated in the highest category (A1/P1 rating) by

the rating organizations and in securities that are guaranteed by the U.S. government or one of its related agencies. Credit quality is emphasized for the preservation of principal and liquidity.

3. Returns are net of brokerage commissions, expenses related to trading, and applicable foreign withholding taxes on dividends, interest, and capital gains. All returns are expressed in U.S. dollars.

   Effective March 1, 2024, Total Fund performance is calculated daily using the daily valuation method. Before this change, Total Fund performance was calculated monthly using the Modified Dietz method. Gross returns are net of transaction costs and gross of management fees, except for alternative investments & real estate, where the return is also net of all external investment management fees and costs, including carried interest and other fund expenses. Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses. Costs are reported annually on a calendar year basis and are reflected in the Board's Trustee Summary Report in the Meketa quarterly performance report. Investment management costs include internal investment personnel, professional and technical services, other investment operating expenses, actual external manager fees, custodial banking fees, and allocated overhead and oversight, including Information Technology Services (ITS). Investment management costs deducted from the gross return to arrive at the net return have ranged from 12 to 14 basis points per year over the past 10 years.

   Total composite assets reflect investment fair values calculated and reported in a manner consistent with investment industry standards. Policies for valuing investments, calculating performance, and preparing the GIPS Asset Owner Report are available upon request.

4. The Total Fund includes all individual portfolios that are combined into one aggregate portfolio for GIPS compliance purposes. The performance of the combined portfolio reflects the overall mandate of the plan. Because the Total Fund is one aggregate portfolio for all periods, no measure of internal dispersion of annual portfolio returns is presented.

5. The three-year annualized ex-post standard deviation measures the variability of the composite (using Total Fund gross returns) and the benchmark for the 36 months ended at the following dates:

	3-Yr Annualized Standard Deviation (%)	
June 30	Total Fund	Benchmark
2025	8.0	8.3
2024	8.9	9.4
2023	9.7	9.9
2022	10.1	10.1
2021	10.1	9.9
2020	8.8	8.7
2019	6.2	6.0
2018	6.0	5.9
2017	6.2	6.2
2016	6.7	6.8

6. Benchmark returns are provided to represent the investment environment existing during the periods shown. Each asset class utilizes a benchmark, which as of June 30, 2025, is as follows:

   Fixed Income: The Fixed Income blended benchmark is calculated daily and is a blend of two benchmarks using the core fixed income actual weighting and the Bloomberg U.S. Universal index[1] using the liquid

[1] Source: Bloomberg® and the Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively "Bloomberg") and have been licensed for use for certain purposes by State Teachers Retirement System of Ohio. Bloomberg is not

treasury portfolio actual weighting and the Bloomberg U.S. Intermediate Treasury index[1]. Bloomberg U.S. Universal Index represents the union of the U.S. Aggregate Index, U.S. Corporate High-Yield Index, Investment Grade 144A Index, Eurodollar Index, U.S. Emerging Markets Index, and the non-ERISA eligible portion of the CMBS Index. The Bloomberg U.S. Universal Index covers USD-denominated, taxable bonds that are rated either investment grade or below investment grade. The Bloomberg U.S. Intermediate Treasury Index consists of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. Maturities are between 1 year and up to 10 years.

Domestic Equities: The Russell 3000® Index[2] measures the performance of the 3,000 largest U.S. companies based on total market capitalization and represents approximately 98% of the investable U.S. equity market.

International Equities: The International blended benchmark is calculated monthly using 80% of the MSCI World ex-U.S. 50% Hedged Index-Net and 20% of the MSCI Emerging Markets Index-Net. The MSCI World ex-U.S. 50% Hedged Index-Net is a free float-adjusted market capitalization index of approximately 778 foreign companies that is designed to measure developed market equity performance, excluding the United States. The 50% hedged index captures the performance of the international equity markets while capping the effects of currency fluctuations on the U.S. dollar to 50%. A forward rate is used to construct the hedge. The MSCI Emerging Markets Index-Net is a free float-adjusted market capitalization index that is designed to measure equity performance in global emerging markets. The index is rebalanced monthly. MSCI assumes the maximum withholding tax rate applicable to institutional investors.

Real Estate: The Real Estate blended benchmark is calculated quarterly and is a blend of two benchmarks using 85% of the National Council of Real Estate Investment Fiduciaries (NCREIF) Property Index and 15% of the FTSE NAREIT Equity REITs Index. The NCREIF Property Index (NPI) publishes an unlevered quarterly return for private, core real estate held by institutional investors. It reflects investment performance for over 10,000 commercial properties. The FTSE NAREIT Equity REITs Index is a float-adjusted market capitalization index of 134 companies that is designed to measure U.S. Equity REIT performance.

Alternative Investments: The Alternative Investment blended benchmark consists of the Private Equity Benchmark multiplied by 47.4% plus the Opportunistic/diversified Blended Benchmark multiplied by 52.6%. The Private Equity Benchmark is the Cambridge Associates Private Equity and Venture Capital Index one quarter lagged to be consistent with external fund reporting. The Opportunistic/diversified blended benchmark consists of the actual Opportunistic Investments Portfolio weight multiplied by the Cambridge Associates Private Credit Index one quarter lagged to be consistent with external fund reporting plus the actual weight of the Diversified Investments Portfolio multiplied by the HFRI Fund of Funds Composite Index[3], which is a monthly index where subsequent revisions will be reflected in the following period.

The Cambridge Associates Private Equity and Venture Capital Index is currently comprised of approximately 4,000 private equity & venture capital funds. The Cambridge Associates Private Credit Index

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affiliated with State Teachers Retirement System of Ohio, and Bloomberg does not approve, endorse, review, or recommend this material. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this material.

[2] The Russell Indices are a trademark of the FTSE International Limited (FTSE) and Frank Russell Company (Russell) and their respective subsidiary undertakings, which are members of the London Stock Exchange Group plc group.

[3] Source, HFR, Inc. (www.HFR.com). The HFR Indices are being used under license from HFR Holdings, LLC, which does not approve of or endorse any of the products or the contents discussed in this material.

is currently comprised of over 500 private credit funds. The HFRI Fund of Funds Composite Index[3] is comprised of hedge funds invested with multiple managers through funds or managed accounts.

Liquidity Reserves: The ICE BofA US 3-Month Treasury Bill Index is used.

The Total Fund blended benchmark is calculated monthly using a blend of the asset class benchmarks based on the Total Fund's policy weights for the respective asset classes, as follows:

	7/1/2024-6/30/2025
Fixed Income	22%
Domestic Equities	26%
International Equities	22%
Real Estate	10%
Alternative Investments	19%
Liquidity Reserves	1%

Information concerning asset class benchmarks and policy weights for other periods is available upon request.

7. Past performance is not an indicator of future investment performance results.

8. As the Total Fund represents 100% of the assets managed by STRS Ohio, this GIPS Asset Owner Report represents STRS Ohio's list of Total Fund descriptions.

9. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Supplemental Information:

The information in the table below is supplemental to the Total Fund GIPS Asset Owner Report presented on the previous pages. Performance information is for the period July 1, 2024 through June 30, 2025.

			As of June 30, 2025			
Fund/Asset Class	Gross Return (%)	Benchmark Return * (%)	Number of Portfolios	Assets ($ millions)	% of Fund Assets (%)	% of Externally Managed Assets (%)
Total Fund	10.56	10.76	84	100,613	100.0	32
Fixed Income	6.79	6.47	11	24,064	23.9	9
Domestic Equities	13.52	15.30	15	25,672	25.5	3
International Equities	17.59	15.61	23	21,813	21.7	45
Real Estate	-1.51	5.05	12	7,854	7.8	25
Alternative Investments	7.94	6.75	22	19,736	19.6	86
Liquidity Reserves	4.89	4.68	1	1,474	1.5	0

* Total Fund and asset class benchmarks as of June 30, 2025, are as follows:

Fund/Asset Class	Benchmark
Total Fund	Total Fund blended benchmark
Fixed Income	Fixed Income blended benchmark
Domestic Equities	Russell 3000 Index
International Equities	International blended benchmark
Real Estate	Real Estate blended benchmark
Alternative Investments	Alternative Investments blended benchmark
Liquidity Reserves	ICE BofA US 3-Month Treasury Bill Index

Please refer to Note 6 earlier in the report for further discussion of the Total Fund and asset class benchmarks.

Accompanying Notes

Returns are net of brokerage commissions, expenses related to trading, and applicable foreign withholding taxes on dividends, interest, and capital gains. All returns are expressed in U.S. dollars.

Total Fund and asset class returns are calculated as follows:

Effective March 1, 2024, Total Fund performance is calculated daily using the daily valuation method. Before this change, Total Fund performance was calculated monthly using the Modified Dietz method. Gross returns are net of transaction costs and gross of management fees, except for alternative investments & real estate where the return is also net of all external investment management fees and costs, including carried interest and other fund expenses. Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses. The total fund net return was 10.42% for the year ended June 30, 2025, and the fund underperformed its Total Fund blended benchmark by 0.34% net of all fees and costs over this same period. Costs are reported annually on a calendar year basis and are reflected on the Board's Trustee Summary Report in the Meketa quarterly performance report. Investment management costs include internal investment personnel, professional and technical services, other investment operating expenses, actual external manager fees, custodial banking fees, and allocated overhead and oversight, including Information Technology Services (ITS).

Fixed Income performance is calculated daily. Performance of the internally-managed portfolios excludes cash returns, as cash is swept daily into the liquidity reserves portfolio. Gross returns are reflected. Gross returns are defined in note 3.

Domestic Equities performance is calculated daily. Performance of the internally-managed portfolios excludes cash returns, as cash is swept daily into the liquidity reserves portfolio. Gross returns are reflected. Gross returns are defined in note 3.

International Equities performance is calculated daily. The performance of all portfolios in this asset class includes cash returns. Gross returns are reflected. Gross returns are defined in note 3.

Real Estate performance is calculated daily with private real estate valuation changes reported monthly. Internally managed direct real estate investments are valued by an external appraiser once every three years and by an internal valuation quarterly. Valuations of externally managed commingled real estate funds are determined by the underlying investment manager with supporting financial statements when available generally on a quarter lag. The performance of real estate excludes cash returns, as cash is swept daily into the liquidity reserves portfolio. Gross returns are reflected. Gross returns are defined in note 3.

Effective March 1, 2024, Alternative Investments performance is calculated daily using the daily valuation method with private market valuation changes reported monthly. Before this change, Alternative Investments performance was calculated monthly using the Modified Dietz method. Alternative investments are valued by the underlying investment manager with supporting financial statements generally on a quarterly basis. Typically there is a one to three-month lag in the fair values used by STRS Ohio but the values are adjusted to reflect the current capital activity. The performance of alternative investments excludes cash returns, as cash is swept daily into the liquidity reserves portfolio. Gross returns are reflected. Gross returns are defined in note 3.

Liquidity Reserves performance is calculated daily.

Investment Performance

(total returns, annualized on a fiscal-year basis, July 1–June 30)

1-Year Returns (2025)

Asset Category	STRS Ohio Return	Benchmark Return	Benchmark Name
Liquidity Reserves[9]	4.89%	4.68%	ICE BofA U.S. 3-Month Treasury Bill Index
Fixed Income[9]	6.79%	6.47%	Fixed-Income Blended Benchmark[3]
Domestic Equities[9]	13.52%	15.30%	Russell 3000® Index[1]
International Equities[9]	17.59%	15.61%	International Blended Benchmark[2]
Real Estate[9]	–1.51%	5.05%	Real Estate Blended Benchmark[4]
Alternative Investments[9]	7.94%	6.75%	Alternative Investments Blended Benchmark[5]
Total Fund[9]	**10.56%**	**10.76%**	**Total Fund Blended Benchmark[8]**
Total Fund Net[7]	**10.42%**		

3-Year Returns (2023–2025)

Asset Category	STRS Ohio Return	Benchmark Return	Benchmark Name
Liquidity Reserves[9]	4.80%	4.56%	ICE BofA U.S. 3-Month Treasury Bill Index
Fixed Income[9]	3.47%	3.17%	Fixed-Income Blended Benchmark[3]
Domestic Equities[9]	18.85%	19.08%	Russell 3000® Index[1]
International Equities[9]	16.34%	15.10%	International Blended Benchmark[2]
Real Estate[9]	–5.37%	–1.39%	Real Estate Blended Benchmark[4]
Alternative Investments[9]	4.38%	4.19%	Alternative Investments Blended Benchmark[5]
Total Fund[9]	**9.62%**	**9.70%**	**Total Fund Blended Benchmark[8]**
Total Fund Net[7]	**9.49%**		

5-Year Returns (2021–2025)

Asset Category	STRS Ohio Return	Benchmark Return	Benchmark Name
Liquidity Reserves[9]	2.91%	2.76%	ICE BofA U.S. 3-Month Treasury Bill Index
Fixed Income[9]	0.22%	–0.10%	Fixed-Income Blended Benchmark[3]
Domestic Equities[9]	15.89%	15.96%	Russell 3000® Index[1]
International Equities[9]	13.30%	11.78%	International Blended Benchmark[2]
Real Estate[9]	2.22%	4.66%	Real Estate Blended Benchmark[4]
Alternative Investments[9]	14.30%	–	Alternative Investments Blended Benchmark[5,6]
Total Fund[9]	**10.42%**	**9.78%**	**Total Fund Blended Benchmark[8]**
Total Fund Net[7]	**10.29%**		

State Teachers Retirement System of Ohio claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive the GIPS Asset Owner Report, please refer to the GIPS® Verification and Performance Examination Report by ACA Group, Performance Services Division on Pages 54-62.

State Teachers Retirement System of Ohio is defined and created by the Ohio Revised Code, Chapter 3307.15. The STRS Ohio Total Fund performance returns consist of all assets of the fund, including both internally and externally managed accounts. All returns are calculated in U.S. dollars using a time-weighted rate of return. All returns are net of brokerage commissions, expenses related to trading, and applicable foreign withholding taxes on dividends, interest and capital gains. All measurements and comparisons have been made using standard performance evaluation methods, and results are presented in a manner consistent with the investment industry in general and public pension funds in particular.

The Total Fund reflects an actual asset allocation to the following asset classes as of June 30, 2025: Liquidity Reserves 1.5%, Fixed Income 23.9%, Domestic 25.5%, International 21.7%, Real Estate 7.8% and Alternative Investments 19.6%. The investment objective for the Total Fund is to earn, over moving 30-year periods, an annualized return that equals or exceeds the actuarial rate of return, approved by the State Teachers Retirement Board ("Board") to value STRS Ohio liabilities. As of June 30, 2025, the actuarial rate of return was 7.00%.

As part of the Total Fund strategy, certain asset classes may use derivative instruments and/or leverage to gain exposure to certain sectors of the market. Fixed Income: Exposure to derivative instruments may not exceed 5% of Total Fund assets. A variety of derivative instruments may be used to adjust the exposure to interest rates, individual securities or to market sectors in the fixed income asset class; Domestic Equities: Exposure to derivative instruments, including, but not limited to, futures, stock options and index options may not exceed 10% of Total Fund assets; International Equities: Exposure to derivative instruments, including swap agreements, may not exceed 10% of Total Fund assets; Real Estate: Activities may include borrowing funds on a secured or unsecured basis with leverage limited to 50% of the internally managed direct real estate assets. At June 30, 2025 and 2024, debt as a percentage of these assets was 28.6% and 29.2%, respectively. The debt as a percentage of assets calculation has changed for the periods shown to reflect the portion of debt attributed to STRS Ohio. Derivatives may also be used and cannot exceed 1% of Total Fund assets; Alternative Investments: Exposure to derivatives may not exceed 10% of Total Fund assets. Alternative investment managers may use derivatives as components of the funds' investment strategy and to achieve the investment objectives of the fund.

Investment performance is calculated using a time-weighted rate of return. The one-year returns for the fiscal years ended June 30, 2016, through 2025 have been examined by ACA Group, Performance Services Division.

The long-term policy objective for the 10-year period is a projected annualized policy return of 7.0% based on return forecasts by asset class before any value added. The State Teachers Retirement Board expects the net value added to be 0.40% per year.

[1]The Russell® Indices are a trademark of FTSE International Limited (FTSE), Frank Russell Company (Russell®) and their respective subsidiary undertakings, which are members of the London Stock Exchange Group PLC.

[2]The International Blended Benchmark is calculated monthly using 80% of the MSCI World ex-U.S. 50% Hedged Index-Net and 20% of the MSCI Emerging Markets Index-Net.

[3]The Fixed-Income Blended Benchmark is calculated daily and is a blend of two benchmarks using the actual core fixed-income weighting and the Bloomberg U.S. Universal index and the actual weighting of the liquid treasury portfolio weighting and the Bloomberg U.S. Intermediate Treasury Index. Bloomberg® and the Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by State Teachers Retirement System of Ohio. Bloomberg is not affiliated with State Teachers Retirement System of Ohio, and Bloomberg does not approve, endorse, review, or recommend this material. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this material.

[4]The Real Estate Blended Benchmark is calculated quarterly using 85% NCREIF Property Index (NPI) and 15% FTSE NAREIT Equity REITs Index.

[5]The Alternative Investment Blended Benchmark consists of the Private Equity Benchmark multiplied by 47.4% plus the Opportunistic/Diversified Blended Benchmark multiplied by 52.6%. The Private Equity Benchmark is the Cambridge Associates Private Equity and Venture Capital Index one quarter lagged to be consistent with external fund reporting. The Opportunistic/Diversified blended benchmark consists of the actual Opportunistic Investments Portfolio weight multiplied by the Cambridge Associates Private Credit Index one quarter lagged to be consistent with external fund reporting plus the actual weight of the Diversified Investments Portfolio multiplied by the HFRI Fund of Funds Composite Index, which is a monthly index where subsequent revisions will be reflected in the following period. Source, HFR, Inc. (www.HFR.com). The HFR Indices are being used under license from HFR Holdings, LLC, which does not approve of or endorse any of the products or the contents discussed in this material.

[6]The Alternative Investment Blended Benchmark became effective July 1, 2021, so no five-year return is displayed. Alternative investment performance history through June 30, 2021, is displayed on Page 64.

[7]Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.

[8]The Total Fund Blended Benchmark is calculated and rebalanced monthly using a blend of the asset class benchmarks based on the Total Fund's policy weights in effect during the respective period.

[9]Gross returns are net of transaction costs and gross of management fees, except for Alternative Investments and Real Estate where the return is net of all external investment management fees and costs, including carried interest and other fund expenses.

Alternative Investment Performance Through June 30, 2021

(total returns, annualized on a fiscal-year basis, July 1–June 30)

	One Year	Three Years	Five Years	10 Years
Total Private Equity[1, 5]	**64.48%**	**25.96%**	**22.47%**	**17.29%**
Relative Return Objective[2]	45.56%	19.90%	19.05%	16.06%
Total Opportunistic/Diversified[5]	**24.07%**	**5.64%**	**6.69%**	**6.08%**
Relative Return Objective[3]	42.78%	17.57%	16.73%	13.57%
Total Alternative Investments[5]	**44.99%**	**15.83%**	**14.52%**	**11.84%**
Blended Relative Return Objective[4]	43.91%	18.55%	17.77%	14.79%

[1]Total Private Equity includes publicly traded common stock that was distributed or exchanged from private equity and venture capital funds.

[2]Through June 30, 2021, the Private Equity Relative Return Objective is calculated monthly and is the Russell 3000 Index plus 1%, effective July 1, 2012.

[3]Through June 30, 2021, the Opportunistic/Diversified Relative Return Objective is calculated monthly and is the Russell 3000 Index minus 1%.

[4]Through June 30, 2021, the Alternative Investments Blended Relative Return Objective is calculated monthly using a blend of the Private Equity and Opportunistic/Diversified Relative Return Objectives based on the policy weights in effect during the respective periods. The Alternative Investments Blended Relative Return Objective is based on 41.2% of the Russell 3000 Index plus 1% and 58.8% of the Russell 3000 Index minus 1% effective July 1, 2019.

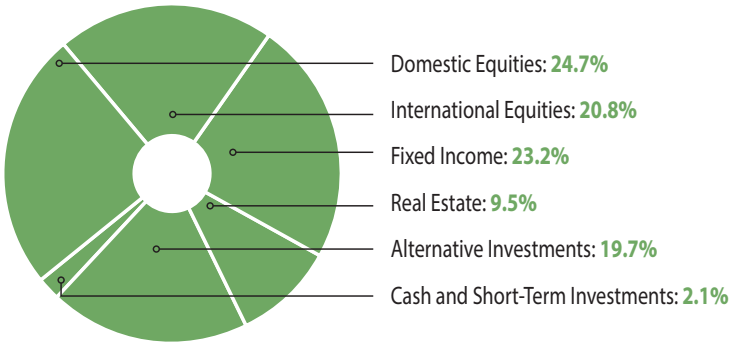
[5]Net returns are net of all internal and external investment management fees and costs, including carried interest and other fund expenses.

Summary of Investments and Cash
As of June 30, 2025 and 2024 (dollar amounts in thousands)

	June 30, 2025	Percentage of Assets	June 30, 2024	Percentage of Assets
Cash and short-term investments				
Cash	$ 19,656	0.0%	$ 64,189	0.1%
Commercial paper	79,489	0.1%	49,579	0.1%
Short-term investment funds	200,000	0.2%	76,000	0.1%
U.S. Government Agencies	49,994	0.0%	149,934	0.1%
U.S. Treasury bills	1,833,203	1.8%	1,001,599	1.0%
Total cash and short-term investments	**2,182,342**	**2.1%**	**1,341,301**	**1.4%**
Fixed income				
U.S. government agency obligations and U.S. government obligations	10,484,182	10.2%	9,009,542	9.3%
Corporate bonds	4,875,727	4.7%	4,589,596	4.7%
High yield and emerging market	2,264,399	2.2%	1,927,740	2.0%
Mortgages and asset-backed	6,300,978	6.1%	5,305,827	5.5%
Total fixed income	**23,925,286**	**23.2%**	**20,832,705**	**21.5%**
Domestic equities	**25,505,055**	**24.7%**	**24,796,881**	**25.6%**
International				
Equities	20,804,920	20.1%	19,744,218	20.4%
Corporate bonds held in equity swap	266,733	0.3%	429,805	0.5%
U.S. government bonds held in equity swap	324,156	0.3%	225,098	0.2%
Asset-backed securities held in equity swap	127,316	0.1%	137,382	0.1%
Total international	**21,523,125**	**20.8%**	**20,536,503**	**21.2%**
Real estate				
East region	3,128,473	3.0%	3,179,950	3.3%
Midwest region	877,893	0.8%	959,975	1.0%
South region	1,028,152	1.0%	1,043,962	1.1%
West region	1,945,569	1.9%	2,199,095	2.3%
REITs	1,362,221	1.3%	1,370,797	1.4%
Non-core	1,512,777	1.5%	1,420,168	1.5%
Total real estate	**9,855,085**	**9.5%**	**10,173,947**	**10.5%**
Alternative investments	**20,344,581**	**19.7%**	**19,235,688**	**19.8%**
Total investments and cash	**$ 103,335,474**	**100.0%**	**$ 96,917,025**	**100.0%**

Investment schedule excludes invested securities lending collateral.

Investment Distribution by Fair Value — as of June 30, 2025



Ohio Investment Profile — as of June 30, 2025

(in thousands)

STRS Ohio continues to engage in quality Ohio investments. As of June 30, 2025, STRS Ohio investments in companies with headquarters in Ohio are valued at nearly $1.2 billion.

Fixed income	$ 206,986
Domestic equities	715,501
Real estate	112,358
Alternative investments	126,557
Total Ohio-headquartered investments	**$ 1,161,402**

Schedule of Domestic Stock Brokerage Commissions Paid

(for the year ended June 30, 2025)

Brokerage Firm	Shares Traded*	Commissions Paid	Average Cents Per Share
J.P. Morgan Securities LLC	59,100,968	$ 1,129,397	1.9
Nomura (Instinet LLC)	22,987,427	912,452	4.0
Virtu Americas LLC	19,400,873	698,811	3.6
Piper Sandler Companies	14,951,827	598,073	4.0
Jefferies Group LLC	14,395,996	420,033	2.9
Cantor Fitzgerald & Company	8,566,668	315,986	3.7
Dash Financial Technologies	6,741,139	269,646	4.0
Roth Capital Partners, LLC	6,197,977	247,919	4.0
Roberts & Ryan	5,977,728	239,109	4.0
State Street Global Markets LLC	5,535,360	221,414	4.0
Cabrera Capital Markets LLC	5,410,800	216,432	4.0
UBS Securities LLC	5,315,382	212,615	4.0
Seaport Global Securities LLC	5,068,708	202,748	4.0
Cowen & Company LLC	5,112,903	198,954	3.9
Goldman Sachs & Co LLC	4,999,113	198,365	4.0
Evercore ISI Institutional Equities	4,494,860	179,794	4.0
Barclays Capital Inc.	4,491,322	179,402	4.0
Morgan Stanley & Company LLC	3,948,383	145,660	3.7
BTIG LLC	3,485,675	139,427	4.0
RBC Capital Markets LLC	2,741,945	109,678	4.0
Other Internal (includes 21 brokerage firms)	16,214,574	604,130	3.7
Other External (seven external managers)	61,226,040	1,430,279	2.3
Totals	**286,365,668**	**$ 8,870,324**	**3.1**

*Includes option equivalent shares.
Excludes commissions on futures trading.

Schedule of International Stock Brokerage Commissions Paid

(for the year ended June 30, 2025)

Brokerage Firm	Traded Value USD*	Commissions Paid USD	Basis Points of Traded Value
CLSA Americas, LLC	$ 650,303,510	$ 385,926	5.9
J.P. Morgan Securities LLC	929,279,814	306,947	3.3
UBS Securities LLC	676,071,308	253,842	3.8
HSBC Securities (USA) Inc.	388,634,609	246,249	6.3
Nomura Securities International Inc.	186,765,188	216,294	11.6
Jefferies LLC	507,948,104	213,291	4.2
Macquarie Capital (USA) Inc.	221,383,787	196,125	8.9
Berenberg Capital Markets LLC	227,342,115	184,156	8.1
CICC US Securities, Inc.	133,520,391	166,420	12.5
Auerbach Grayson & Company LLC	115,307,571	136,095	11.8
BTG Pactual US Capital, LLC	109,276,051	110,425	10.1
BNP Paribas Exane	293,777,145	98,503	3.4
Morgan Stanley & Company LLC	87,076,431	96,224	11.1
Goldman Sachs & Co LLC	101,663,553	95,739	9.4
The Mizuho Financial Group, Inc.	62,479,044	74,967	12.0
Sanford C. Bernstein & Co., LLC	68,991,065	67,273	9.8
RBC Capital Markets LLC	54,130,494	66,992	12.4
BMO Capital Markets	61,584,441	65,872	10.7
SMBC Nikko Securities America Inc.	54,317,779	57,149	10.5
Liquidnet Inc.	53,853,049	55,369	10.3
Others Internal (includes 13 brokerage firms)	372,332,765	260,516	7.0
Other External (11 external managers)	12,104,562,475	4,675,061	3.9
Totals	**$17,460,600,689**	**$ 8,029,435**	**4.6**

*Shares traded exclude transactions with $0 commissions paid.

Schedule of Largest Investment Holdings* (as of June 30, 2025)

Domestic Equities — Top 20 Holdings

	Shares	Fair Value
Nvidia Corp.	10,775,707	$ 1,702,453,949
Microsoft Corp	3,341,742	1,662,215,888
Apple Inc.	5,526,130	1,133,796,092
Amazon.com Inc.	4,158,659	912,368,198
Meta Platforms, Inc. Class A	962,559	710,455,172
Broadcom Inc.	1,754,297	483,571,987
Alphabet Inc. Class C	2,271,802	402,994,957
Mastercard Inc. Class A	588,498	330,700,566
JPMorgan Chase & Co.	1,117,914	324,094,448
Alphabet Inc. Class A	1,832,327	322,910,987
Berkshire Hathaway Inc. Class B	562,642	273,314,604
Tesla Inc.	838,407	266,328,368
Eli Lilly & Co.	334,344	260,631,178
Netflix Inc.	192,696	258,044,994
ServiceNow Inc.	224,405	230,706,292
Exxon Mobil Corp.	1,940,112	209,144,074
Visa Inc. Class A	519,286	184,372,494
Unitedhealth Group Inc.	505,205	157,608,804
Oracle Corp.	644,518	140,910,970
Home Depot Inc.	376,563	138,063,058

International Equities — Top 20 Holdings

	Shares	Fair Value
Taiwan Semicon Man (Taiwan)	12,297,303	$ 447,722,110
Roche Holding AG (Switzerland)	637,264	206,870,625
SAP SE (Germany)	567,908	172,092,808
Nestle SA (Switzerland) ASML Holding (Netherlands)	1,721,110	170,446,107
Hitachi (Japan)	5,253,600	152,939,790
Air Liquide SA (France)	618,307	127,116,555
Samsung Electronics Co. Ltd. (South Korea)	2,671,154	118,953,904
Schneider Electric (France)	383,786	101,724,525
Tencent Holdings Ltd. (China)	1,568,000	100,471,847
Shell PLC (United Kingdom)	2,050,000	71,733,376
Amadeus IT Group (Spain)	844,594	70,867,178
Heineken N.V. (Netherlands)	810,758	70,445,447
AIA Group Ltd. (Hong Kong)	7,708,975	69,135,266
Intesa Sanpaolo (Italy)	11,783,099	67,657,226
EssilorLuxottica (France)	244,079	66,728,676
Hong Kong Exchanges & Clearing (Hong Kong)	1,196,600	63,838,991
RB Global Inc.	584,095	61,928,196
Novartis AG (Switzerland)	508,944	61,488,875
Mitsubishi UFJ Financial Group, Inc. (Japan)	4,444,300	61,013,167
Siemens AG (Germany)	237,154	60,590,109

Fixed Income — Top 20 Holdings

	Par Value	Fair Value
U.S. Treasury N/B, T 1 1/2, 11/30/2028	$ 191,966,000	$ 178,667,291
U.S. Treasury N/B, T 1 3/8, 12/31/2028	189,496,000	175,083,619
U.S. Treasury N/B, T 4, 04/30/2032	155,200,000	156,464,163
U.S. Treasury N/B, T 2 7/8, 04/30/2029	148,529,000	144,722,944
U.S. Treasury N/B, T 3 7/8, 04/30/2030	142,880,000	144,403,487
U.S. Treasury N/B, T 3 7/8, 09/30/2029	133,936,000	135,868,420
U.S. Treasury N/B, T 0 1/2, 05/31/2027	142,822,000	134,419,166
U.S. Treasury N/B, T 2 3/4, 08/15/2032	143,008,000	133,402,366
U.S. Treasury N/B, T 0 5/8, 05/15/2030	152,304,000	131,174,407
U.S. Treasury N/B, T 0 5/8, 03/21/2027	137,679,000	130,634,884
U.S. Treasury N/B, T 0 5/8, 08/15/2030	149,869,000	128,162,059
U.S. Treasury N/B, T 2 3/4, 05/31/2029	131,980,000	127,585,625
U.S. Treasury N/B, T 1 7/8, 02/28/2029	133,953,000	126,378,558
U.S. Treasury N/B, T 0 1/2, 06/30/2027	131,427,000	123,327,544
U.S. Treasury N/B, T 3 7/8, 08/15/2034	121,171,000	120,112,638
U.S. Treasury N/B, T 4 3/4, 05/15/2055	117,136,000	117,206,027
U.S. Treasury N/B, T 3 1/4, 06/30/2029	116,010,000	113,917,564
U.S. Treasury N/B, T 2 3/8, 05/15/2029	118,145,000	112,753,030
U.S. Treasury N/B, T 2 3/8, 03/31/2029	117,038,000	112,223,124
U.S. Treasury N/B, T 1 1/2, 08/15/2026	112,597,000	110,192,285

*A complete list of investment holdings is available from STRS Ohio.

Schedule of External Managers (as of June 30, 2025)

Domestic Equities

Fuller & Thaler Asset Management
Neuberger Berman
Weatherbie Capital

International Equities

Acadian Asset Management
Alliance Bernstein
American Century
Arrowstreet Capital
Genesis Asset Managers
Lazard Asset Management
MFS Investment Management
Wellington Management
Wellington Small Cap
William Blair

Fixed Income

BNY Mellon
Fidelity Institutional Asset Management
JPMorgan
MFS Investment Management
Pacific Investment Management Company
Payden & Rygel
PGIM

Real Estate

Angelo, Gordon & Co.
Ares Management, LLC
BCMR-GP, LLC
Benson Elliot Capital Management, LLP
CBRE Global Investors
Centersquare Investment Management LLC
CLSA Capital Partners Singapore PTE Ltd.
Fortress Investment Group, LLC
GreenOak Real Estate Advisors, LLP
Harrison Street Real Estate Capital, LLC
Heitman Real Estate Securities, LLC
Invesco Advisers Inc.
J.P. Morgan Investment Management, Inc.
LaSalle Investment Management (Asia) Pte. Ltd.
Patria Brazil Investment Group
PCCP, LLC
PGIM Real Estate Luxembourg S.A.
Pramerica Investment Management Inc.
Principal Asset Management
Secured Capital Investment Management
SP V Manager, LLC
The Blackstone Group
The Carlyle Group
Westbrook Partners, LLC

Alternative Investments

26North
Advanced Technology Ventures
Advent International Corporation
Advisor Group, Inc.
AlbaCore Capital LLP
Alpine Investors IX, LP
Angelo, Gordon & Co.
Apollo Management
ArchiMed SAS
Arcline
ArcLight Capital Partners, LLC
Arcmont Asset Management
Ares Management, LLC
Arrowmark
Asia Alternatives Management LLC
Atalaya Capital Management LP
Avenue Capital Group
Avenue Capital Management
Avenue Capital Management II, LP
Audax Group
Axiom Asia Private Capital
Bain Capital, LLC
BC Partners Holdings Limited
Beacon Capital Partners, LLC
Benefit Street Partners, LLC
Blackboard Inc.
Blue Chip Venture Company, Ltd.
Blue Owl Capital, Inc.
Brantley Management Company
Bridgepoint Capital, Ltd.
Brookside Capital, LLC
CB Health Ventures, LLC
Cardinal Partners
Cerberus Capital Management, LP
Christofferson, Robb & Co.
Clayton, Dubilier & Rice, LLC
Clearlake Capital Group
Commonfund Capital, Inc
Comvest
Crestline Management, L.P.
CVC Capital Partners Limited
Dawson Partners
Davidson Kempner Advisors, Inc.
Dragoneer Investment Group
Duff Ackerman & Goodrich
EnCap Investments LP
EQT Partners
Essex Woodlands Health Ventures
Fairview Management Group, LLC
Firmament Partners
Fortress Investment Group, LLC
Francisco Partners
Friedman, Fleischer & Lowe, LLC
Gauge Capital
General Catalyst Partners
Genstar Capital Partners, LLC
Goldman, Sachs & Co.
Golub Capital
Grosvenor Capital Management, LLC
GSO Capital Partners, LP
GTCR LLC
Haveli Investments
H.I.G. Capital Management
Hancock Capital Investment Management, LLC
HarbourVest Partners, LLC
Heartland Industrial Partners
Hellman & Friedman LLC
Hermes GPE LLP
Houghton Mifflin Veritas
HPS Investment Partners, LLC
HSBC Group
ICONIQ Capital, LLC
Infinity Q Capital Management
Intermediate Capital Group PLC
IVC Evidensia
Jade Capital Management, LLC
JF Lehman
King Street Advisors, LLC
Kohlberg Kravis Roberts & Co. LP
Latticework Capital Management, LLC
Leonard Green & Partners, LP
Levine Leichtman Capital Partners, Inc.
Lightspeed China Partners
Lime Rock Partners, LLC
Man Asset Management Limited
Manulife Financial Corporation
Meritage Holdings, LLC
MHR Fund Management LLC
Monitor Clipper Partners, Inc.
Moonrise Capital LP
Morgan Stanley
Morgenthaler Ventures
MV Management XIV, LLC
MV Management XV, LLC
NB Alternative Advisers LLC
New Enterprise Associates (NEA)
Oak HC/FT Management Company, LLC
Oakley Capital Partners
Oaktree Capital Management, LLC
Och-Ziff Capital Management Group
Ohio Innovation Fund
Onex Falcon
Owl Rock Capital Advisors
Oxford Finance, LLC
Paine Schwartz Paine, LLC
Panda Energy International, Inc.
Percheron Capital
PineBridge Investments
Primus Venture Partners, Inc.
Proofpoint (Project Panther IV)
Providence Equity Partners, Inc.
PSG
Quad Partners LLC
Redpoint Omega III, LLC
Renaissance Technologies
Reverence Capital Partners LLC
Semaphore
Silver Lake Partners
Siris
Sixth Street Advisors, LLC
Stone Point Capital LLC
Summit Partners
TA Associates, Inc.
TCW Group
Texas Pacific Group
The Blackstone Group
The Carlyle Group
The Riverside Company
Thoma Bravo, LLC
Tiger Iron Capital
TowerBrook Capital Partners, LP
Truebridge Capital Partners, LLC
TSCOF SPV GP, LLC
TSG Consumer Partners (FKA: Shansby Group)
Twin Brook Capital Partners
Two Sigma Advisers
Varagon Capital Partners
Veritas Capital Fund Management, LLC
Vista Equity Partners Management, LLC
Vitruvian Partners LLP
Warburg Pincus LLC
WL Ross & Co, LLC (Invesco)

CHEIRON *Classic Values, Innovative Advice*

November 19, 2025

Board of Trustees
State Teachers Retirement System of Ohio
275 East Broad Street
Columbus, Ohio 43215

Dear Members of the Board:

Our report presented to the Board for the October 16, 2025 Board meeting presents the most recent annual actuarial valuation as of June 30, 2025 of the State Teachers Retirement System of Ohio ("STRS Ohio") and has been prepared in accordance with Ohio Revised Code Section 3307.51(A), which requires the Board to have prepared annually by or under the supervision of an actuary an actuarial valuation of the pension assets, liabilities, and funding requirements of the STRS Ohio defined benefit plan. This report is for the use of STRS Ohio and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Included in the report are the following supporting schedules prepared by Cheiron to be included in the Financial, Actuarial and Statistical sections of the STRS Ohio *Annual Comprehensive Financial Report*:

- Financial/Required Supplementary Information
  - Schedule of Changes in Employers' Net Pension Liability
  - Schedule of Employers' Net Pension Liability
  - Schedule of Employers' Contributions – Pension
  - Notes to Required Supplementary Information – Pension
  - Sensitivity of the Net Pension Liability to the Discount Rate Assumption
- Actuarial
  - Schedule of Valuation Data – Active Members
  - Schedule of Valuation Data – Retirees/Beneficiaries
  - Benefit Recipients Added to and Removed from the Rolls
  - Solvency Test
  - Analysis of Financial Experience
- Statistical
  - Actuarial Funded Ratio & Funding Period
  - Selected Funding Information – Defined Benefit Plan
  - Number of Benefit Recipients by Type
  - Summary of Active Membership Data
  - Benefit Payments by Type

In preparing our report, we relied on information (some oral and some written) supplied by STRS Ohio. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

We certify that this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. In particular, the assumptions and methods used for funding purposes meet the requirements of the Actuarial Standards of Practice Nos. 4, 27 and 44. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Sincerely,
Cheiron

Bonnie Rightnour, FSA, MAAA, EA
Principal Consulting Actuary

Michael Noble, FSA, FCA, MAAA, EA
Principal Consulting Actuary

This section presents the results of the annual valuation of the assets and liabilities of the State Teachers Retirement System of Ohio (STRS Ohio) as of June 30, 2025, prepared by its actuary, Cheiron, in accordance with Section 3307.51 of Chapter 3307 of the Ohio Revised Code.

Summary of Actuarial Assumptions and Methods — Pension Fund

The assumptions below have been adopted by the State Teachers Retirement Board after consulting with the actuary. The board has adopted a funding policy that establishes the framework and specific objectives to monitor the system's funding status.

Mortality Rates — Post-Retirement: Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. (Updated effective June 30, 2022.) Sample mortality rates are as follows.

Mortality Rates — Post-Retirement		
Age	Male	Female
50	0.11%	0.07%
55	0.25%	0.19%
60	0.39%	0.29%
65	0.65%	0.45%
70	1.18%	0.77%
75	2.23%	1.46%
80	4.23%	2.82%
85	7.96%	5.39%
90	14.59%	10.09%
95	24.55%	18.03%
100	35.87%	28.16%

Mortality Rates — Pre-Retirement: Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. (Updated effective June 30, 2022.) Sample mortality rates are as follows.

Mortality Rates — Pre-Retirement		
Age	Male	Female
25	0.02%	0.01%
30	0.02%	0.01%
35	0.03%	0.02%
40	0.04%	0.03%
45	0.07%	0.05%
50	0.11%	0.07%
55	0.17%	0.10%
60	0.26%	0.15%

Mortality Rates — Post-Retirement Disabled: Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020. (Updated effective June 30, 2022.)

Sample mortality rates prior to improvement are as follows:

Mortality Rates — Post-Retirement Disabled		
Age	Male	Female
45	1.01%	0.99%
50	1.61%	1.48%
55	2.11%	1.74%
60	2.50%	1.96%
65	3.04%	2.26%
70	3.90%	2.86%
75	5.19%	4.00%

Active Retirement Rates: The following rates of retirement are assumed for members eligible to retire with a reduced benefit. (Updated effective June 30, 2024.)

Defined Benefit Plan – Reduced Rates					
Age	Male	Female	Age	Male	Female
<=49	2.0%	2.0%	58	8.0%	10.0%
50-51	2.0%	2.0%	59	11.0%	10.0%
52	3.0%	3.0%	60	6.5%	9.0%
53	5.0%	5.0%	61	8.0%	10.0%
54	9.0%	9.0%	62	8.0%	11.0%
55	12.0%	13.0%	63	10.0%	12.0%
56-57	10.0%	11.0%	64	15.0%	25.0%

The following rates of retirement are assumed for members once they are eligible to retire with an unreduced benefit. (Updated effective June 30, 2024.)

Defined Benefit Plan – Unreduced Rates					
Age	Male	Female	Age	Male	Female
<=54	20%	20%	65	28%	36%
55	23%	18%	66	23%	28%
56	20%	20%	67	22%	26%
57	18%	20%	68	20%	25%
58	22%	22%	69	21%	25%
59	23%	26%	70-71	22%	25%
60	21%	28%	72	24%	25%
61-62	20%	28%	73	20%	25%
63	20%	30%	74	23%	28%
64	24%	30%	75+	100%	100%

Combined Plan Retirement Rates		
Age	Male	Female
60	10%	10%
61-63	10%	15%
64	18%	20%
65	25%	30%
66	10%	25%
67-68	10%	15%
69-74	15%	15%
75	100%	100%

Inactive Vested Retirement Rates: 5% at each early retirement age through age 64 and 100% at age 65, or the first age at which unreduced benefits are available. (The assumed rates were adopted effective June 30, 2017, and reaffirmed effective June 30, 2022.)

Disability Rates: Select rates are shown below. (Updated Rates effective June 30, 2022.)

Disability Rates	
Age	Unisex Rate
Under 30	0.007%
30	0.007%
35	0.021%
40	0.035%
45	0.070%
50	0.126%
55	0.154%
60	0.175%
65 and Over	0.175%

Termination Rates: Termination rates based on service, for causes other than death, disability, or retirement. (Updated Rates effective June 30, 2022.)

Vested Terminations*		
Age	Male	Female
20	6.00%	6.00%
25	6.00%	6.00%
30	2.70%	3.55%
35	2.05%	2.00%
40	1.75%	1.40%
45	1.60%	1.25%
50	1.95%	1.60%
55	4.00%	3.60%
60	4.00%	3.60%

*Termination rates stop at first retirement eligibility.

Non-Vested Terminations		
Service	Male	Female
Under 1 Year	40.00%	35.00%
1 to 2 Years	16.00%	15.00%
2 to 3 Years	12.00%	8.00%
3 to 5 Years	9.00%	8.00%

Percent Electing a Deferred Termination Benefit: 80% of future terminating members of the Defined Benefit and Combined Plans are assumed to elect a deferred termination benefit. The remaining 20% are assumed to take an immediate lump-sum. (Updated effective June 30, 2022.)

95% of current terminated vested members of the Defined Benefit and Combined Plans are assumed to elect a deferred termination benefit. The remaining 5% are assumed to take a lump-sum on the valuation date. (Updated effective June 30, 2022.)

Percent Married: For valuation purposes, 80% of male members and 60% of female members are assumed to be married. Male members are assumed to be three years older than their spouses, and female members are assumed to be one year younger than their spouses. (The assumed age difference adopted effective June 30, 2017 and reaffirmed effective June 30, 2022.)

Dependents for Survivor's Benefit: The spouse is the only assumed beneficiary for the survivor's benefit.

Investment Return Rate: 7.00% per annum, compounded annually and net of all expenses.

Salary Increase Rates: Total salary increases, as shown below for selected attained service. (Updated effective June 30, 2022.)

Salary Increase Rates	
Service	Rate
<1	8.50%
1	8.20%
2	8.00%
3	7.00%
4	6.50%
5	6.30%
10	5.50%
15	4.50%
20	3.50%
25	3.00%
30+	2.50%

Payroll Growth Rate: 3.00% per annum. (Adopted effective June 30, 2017, and reaffirmed effective June 30, 2022.)

Defined Contribution Plan: The Defined Contribution account balance is added to the Actuarial Liability and the Actuarial Value of Assets. If a member retires and elects to have the Defined Contribution Account balance paid as an annuity, then the account balance is transferred to the Defined Benefit Plan and the annuity is valued as part of the Defined Benefit Plan.

Changes in Assumptions Since Last Valuation: There were no changes in assumptions made in fiscal year 2025.

Rationale for Assumptions: For rationale on the current assumptions, please refer to the Experience Study Report, dated March 11, 2022.

Actuarial Value of Assets: The actuarial value of assets is based on the market value of assets with a four-year phase-in of actual investment return in excess of (or less than) expected investment income. Expected investment income is determined using the assumed investment return rate and the Actuarial Value of Assets (adjusted for receipts and disbursements during the year). The actual investment return for this purpose is determined net of all investment and administrative expenses. The actuarial value is further adjusted, if necessary, to be within 9% of the market value.

Actuarial Funding Method: The funding method used for the valuation of both the Actuarial Liability and the LDROM liability is the Entry Age Normal (EAN) method. Under this funding method, a normal cost rate is determined as a level percentage of pay for each active participant. The normal cost rate multiplied by payroll equals the total normal cost for each participant. The normal cost contributions (employer and participant) will pay for projected benefits at retirement for each active participant.

The actuarial liability is the difference between the present value of future benefits and the present value of future normal costs. The difference between this actuarial liability and the actuarial value of assets is the unfunded actuarial liability (UAL).

The portion of the actuarial liability in excess of plan assets, the UAL, is amortized to develop an additional cost that is added to each year's employer normal cost. Under this funding method, actuarial gains and losses are directly reflected in the size of the unfunded actuarial liability. The amortization method is described below.

Amortization Method: The actuarially determined contribution (ADC) is determined as the sum of (a) the employer normal cost rate, and (b) a level percentage of payroll required to amortize the unfunded actuarial accrued liability over a 20-year period as of 2025, with new 20-year layers for all future change.

Benefit Recipients Added to and Removed From the Rolls, 2016–2025

Fiscal Year Ended	Beginning Number of Benefit Recipients	Beginning Annual Allowances (in thousands)	Benefit Recipients Added	Payments Added (in thousands)	Benefit Recipients Removed	Payments Removed (in thousands)	Ending Number of Benefit Recipients	Ending Annual Allowance (in thousands)
2016	158,116	$6,801,181	2,675	$177,665	2,853	$82,684	157,938	$6,896,162
2017	157,938	$6,896,162	3,254	$155,702	3,153	$96,555	158,039	$6,955,309
2018	158,039	$6,955,309	3,847	$128,494	4,464	$134,381	157,422	$6,949,422
2019	157,422	$6,949,422	4,894	$178,255	4,898	$156,522	157,418	$6,971,155
2020	157,418	$6,971,155	4,363	$165,151	4,874	$165,609	156,907	$6,970,697
2021	156,907	$6,970,697	5,524	$225,426	5,510	$186,702	156,921	$7,009,421
2022	156,921	$7,009,421	4,995	$350,311	5,691	$191,805	156,225	$7,167,927
2023	156,225	$7,167,927	5,657	$295,082	5,371	$193,453	156,511	$7,269,556
2024	156,511	$7,269,556	5,397	$293,811	5,313	$244,211	156,594	$7,319,156
2025	**156,595**	**$7,319,156**	**7,176**	**$396,238**	**5,371**	**$189,408**	**158,399**	**$7,525,986**

Schedule of Valuation Data — Active Members, 2016–2025

Valuation Date	Number of Active Members	Annualized Salaries (in thousands)	Annual Average Pay	% Increase in Average Pay
2016	169,212	$9,562,236	$56,510	2.9%
2017	168,132	$9,842,388	$58,540	3.6%
2018	170,327	$10,581,345	$62,124	6.1%
2019	170,004	$10,849,863	$63,821	2.7%
2020	167,838	$11,192,069	$66,684	4.5%
2021	166,427	$11,404,226	$68,524	2.8%
2022	174,036	$12,144,257	$69,780	1.8%
2023	175,032	$12,533,620	$71,608	2.6%
2024	174,836	$12,900,197	$73,785	3.0%
2025	**172,506**	**$13,222,583**	**$76,650**	**3.9%**

Schedule of Valuation Data — Retirees/Beneficiaries, 2016–2025

Valuation Date	Number of Retirees/Beneficiaries	Annual Allowances (in thousands)	Average Annual Allowances	% Increase in Annual Allowances
2016	157,938	$6,896,162	$43,664	1.4%
2017	158,039	$6,955,309	$44,010	0.9%
2018	157,422	$6,949,422	$44,145	–0.1%
2019	157,418	$6,971,155	$44,284	0.3%
2020	156,907	$6,970,697	$44,426	0.0%
2021	156,921	$7,009,421	$44,668	0.6%
2022	156,225	$7,167,927	$45,882	2.3%
2023	156,511	$7,269,556	$46,448	1.4%
2024	156,594	$7,319,156	$46,740	0.7%
2025	**158,399**	**$7,525,986**	**$47,513**	**2.8%**

Solvency Test, 2016–2025 (dollar amounts in thousands)

Valuation Date	Accrued Liability For: (1) Member Contributions[1,2]	(2) Retirees & Beneficiaries	(3) Employer-Financed Portion[2]	Actuarial Value of Assets[1] (Excluding Healthcare)	Portion of Accrued Liabilities Covered by Actuarial Value of Assets: (1)	(2)	(3)
2016	$12,498,469	$74,282,592	$13,975,362	$70,114,637	100%	78%	0%
2017	$13,668,834	$69,723,394	$12,734,213	$72,216,212	100%	84%	0%
2018	$18,768,472	$68,911,073	$9,224,512	$73,115,358	100%	79%	0%
2019	$20,071,780	$68,412,083	$9,357,081	$74,411,836	100%	79%	0%
2020	$21,464,556	$67,500,051	$9,707,681	$76,357,681	100%	81%	0%
2021	$23,162,124	$69,479,780	$11,949,502	$83,761,394	100%	87%	0%
2022	$24,203,116	$69,451,575	$11,609,634	$85,141,846	100%	88%	0%
2023	$25,681,212	$69,706,878	$12,394,815	$87,580,351	100%	89%	0%
2024	$27,305,388	$69,394,965	$13,548,961	$91,313,222	100%	92%	0%
2025	**$28,433,625**	**$71,221,541**	**$14,858,891**	**$92,677,992**	**100%**	**90%**	**0%**

[1]Includes Defined Contribution Plan.
[2]Does not include any financing related to Retirees & Beneficiaries

Analysis of Financial Experience

Gains and Losses in Unfunded Actuarial Liability Resulting From Differences Between Assumed Experience and Actual Experience (in thousands)

Type of Activity	Gain (loss) for year ended June 30: 2025	2024	2023	2022	2021
Investment income. If there is greater investment income than assumed, there is a gain. If less, there is a loss.	$ (993,984)	$ 1,340,095	$ 207,313	$ (136,350)	$ 5,216,481
Payroll growth. If more contributions from payroll growth are received than expected, there is a gain. If less, there is a loss.	0	0	0	0	0
Salary increases. If there are smaller salary increases than assumed, there is a gain. If greater increases, there is a loss.	(366,642)	(69,040)	(147,019)	(103,250)	236,539
Retirement and other separation experience. If members retire from service at an older age or with a lower final average salary than assumed, there is a gain. If separation claims are less than expected, there is a gain. If new members don't enter the system as expected, there is a loss.	(505,871)	(424,048)	(410,665)	(443,876)	(287,427)
Death after retirement. If retirees live shorter than expected, there is a gain. If retirees live longer than assumed, there is a loss.	123,564	110,373	146,376	269,162	208,369
Final plan reselection. If the account value from defined contribution accounts is greater than the reestablished defined benefit account balance, there is a gain.	0	0	0	0	0
Gain (or loss) during year from financial experience	(1,742,933)	957,380	(203,995)	(414,314)	5,373,962
Actuarial gain (or loss) due to assumption changes/plan amendments	(1,942,285)	(740,882)	(885,246)	321,382	(4,433,797)
Composite gain (or loss) during the year	**$ (3,685,218)**	**$ 216,498**	**$ (1,089,241)**	**$ (92,932)**	**$ 940,165**

Summary of Benefit and Contribution Provisions — Defined Benefit Plan

Eligibility for Membership

Immediate upon commencement of employment.

Service Retirement

Eligibility : The age and service credit requirements for an actuarially unreduced benefit are as follows:

Unreduced Benefit for Retirement	Minimum Age and Years of Service
Through 7/1/2015	Any age and 30 years; or age 65 and 5 years
8/1/2015–7/1/2017	Any age and 31 years; or age 65 and 5 years
8/1/2017–7/1/2019	Any age and 32 years; or age 65 and 5 years
8/1/2019–7/1/2021	Any age and 33 years; or age 65 and 5 years
8/1/2021–5/1/2025	Any age and 34 years; or age 65 and 5 years
6/1/2025–5/1/2030	Any age and 32 years; or age 65 and 5 years
6/1/2030–5/1/2032	Any age and 33 years; or age 65 and 5 years
6/1/2032 and later	Any age and 34 years; or age 65 and 5 years

Amounts effective Aug. 1, 2015: Annual amount equal to 2.2% of final average salary for the five highest years of earnings, multiplied by all years of service.

Amounts on or before July 1, 2015: Annual amount equal to the greater of (a) 2.2% of final average salary for the three highest years of earnings, multiplied by years of total Ohio service credit, or 2.5% of final average salary for the three highest paid years if the member has 35 or more years of contributing service credit multiplied by years of total contributing service credit, except that for years of contributing service credit in excess of 30, the following percentages apply:

Year	Percentage
31	2.5%
32	2.6%
33	2.7%
34	2.8%
35	2.9%
36	3.0%
37	3.1%
38	3.2%
39	3.3%

or (b) $86 multiplied by years of service credit.

For members who were eligible to retire on July 1, 2015, the annual amount will be greater of (a) the benefit amount calculated upon retirement under the current benefit formula, or (b) the benefit amount the member would have received if he/she retired on July 1, 2015.

Annual salary is subject to the limit under IRS Section 401(a) (17) of the Internal Revenue Code.

For retirements prior to August 1, 2015, if the member has less than 30 years of service at retirement and is younger than age 65, the reduction factors in the following column apply:

Age	Years of Ohio Service	% of Base Amount
58	25	75%
59	26	80
60	27	85
61		88
	28	90
62		91
63		94
	29	95
64		97
65	30 or more	100

Reduction factors for early retirement: The age and service credit requirements for an actuarially reduced benefit are as follows:

Actuarially Reduced Benefit for Retirement	Minimum Age and Years of Service
Through 7/1/2015	Age 55 and 25 years; or age 60 and 5 years
8/1/2015–7/1/2017	Any age and 30 years; or age 55 and 26 years; or age 60 and 5 years
8/1/2017–7/1/2019	Any age and 30 years; or age 55 and 27 years; or age 60 and 5 years
8/1/2019–7/1/2021	Any age and 30 years; or age 55 and 28 years; or age 60 and 5 years
8/1/2021–7/1/2023	Any age and 30 years; or age 55 and 29 years; or age 60 and 5 years
8/1/2023–5/1/2024	Any age and 30 years; or age 60 and 5 years
6/1/2024–5/1/2025	Any age and 29 years; or age 60 and 5 years
6/1/2025–5/1/2030	Any age and 27 years; or age 60 and 5 years
6/1/2030–5/1/2032	Any age and 28 years; or age 60 and 5 years
6/1/2032	Any age and 29 years; or age 60 and 5 years

The actuarially reduced benefit reflects a reduction for each year that the member retires before meeting eligibility for an unreduced benefit.

Disability Retirement

Eligibility: Membership before July 30, 1992, and election of this benefit, completion of five or more years of qualifying service credit, under age 60 and incapacitated for the performance of duty for at least 12 months.

Amount

(1) Annuity with a reserve equal to the member's accumulated contributions, plus

(2) The difference between (1) and the greater of 2% of the average salary during the five highest paid years times total service plus years and months from date of disability to age 60. Maximum allowance is 75% of final average salary. Minimum allowance is 30% of final average salary. Disability benefits commencing before Aug. 1, 2015, were based on a three-year final average salary.

Disability Allowance

Eligibility: For membership after July 29, 1992, or membership before July 30, 1992, and election of this benefit, completion of five or more years of qualifying service credit and incapacitated for the performance of duty for at least 12 months. Membership on or after July 1, 2013, completion of 10 years of qualifying service credit and incapacitated for the performance of duty for at least 12 months.

Amount: 2.2% of the average salary during the five highest paid years times total service. Maximum allowance is 60% of final average salary. Minimum allowance is 45% of final average salary. The disability allowance

payment terminates at age 65 (or later if payment begins after age 60). After termination of the disability allowance, the member may apply for service retirement. Disability benefits commencing before Aug. 1, 2015, were based on a three-year final average salary.

Death After Retirement

Lump-sum payment of $1,000 upon death after service or disability retirement.

Survivor Benefits

Eligibility: For membership before July 1, 2013, upon death after at least 1-1/2 years of credit with at least 1/4 year of such service in the 2-1/2 years preceding death or upon death of a disability benefit recipient. For membership on or after July 1, 2013, upon death after at least five years of qualifying service credit and died not later than one year after the date service terminated or upon the death of a disability benefit recipient.

Qualified survivors will receive the highest benefit from among the following for which they are eligible: dependent-based benefit, service-based benefit, and retirement-based benefit.

Qualified survivors are the spouse, dependent children, and/or dependent parents over age 65.

Dependent-based benefit: Monthly survivor benefits are determined according to the number of qualified survivors. These benefits are payable as a percentage of final average salary. The percentages are as follows:

Number of Qualified Dependents	% of Final Average Salary
1	25%
2	40%
3	50%
4	55%
5 or more	60%

Service-based benefit: If a member has 20 or more years of service before death, monthly survivor benefits are determined according to the number of years of service credit. These benefits are payable as a percentage of final average salary. The percentages are as follows:

Years of Service	% of Final Average Salary
20	29%
21	33%
22	37%
23	41%
24	45%
25	48%
26	51%
27	54%
28	57%
29 or more	60%

Retirement-based benefit: If a member dies after meeting service retirement eligibility, the monthly survivor benefit is determined as if the member had actually retired and provided the a 100% joint and survivor benefit to the qualified survivor. Early retirement reduction applies if the member is not eligible for unreduced benefit.

The primary beneficiary may withdraw the deceased member's account in lieu of receiving monthly benefits if there are no children who are qualified survivors.

Lump-Sum Withdrawal Option

In lieu of any other pension or survivor benefits, a member who leaves the system can receive his or her member contributions with interest in a lump sum payment according to the following schedule:

Credited Service	Lump-Sum Amount
Less than three years	Member contributions with 2% interest
Three or more years but less than five years	Member contributions with 3% interest
Five or more years	150% of member contributions with 3% interest

The board has the authority to modify the interest credited to member contributions.

Plans of Payment

Benefits can be paid under the following forms of payment:

- Single Life Annuity;
- Joint and Survivor Annuity — 100%, 50% or other; with or without reversion to Single Life Annuity; with one or multiple beneficiaries;
- Annuity certain and;
- Partial lump-sum option — from six to 36 times the monthly Single Life Annuity as a lump-sum with the remainder as an annuity.

Cost-of-Living Adjustment (COLA)

For members retiring on or after Aug. 1, 2013, the 2% COLA would be paid beginning on the fifth anniversary of the retirement benefit. Future annual increases are calculated on the base benefit and are not compounded.

Effective July 1, 2017, the COLA was reduced to zero.

Effective July 1, 2022, a 3% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018.

Effective July 1, 2023, a 1% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019.

Effective July 1, 2025, a 1.5% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2026 as long as they retired prior to July 1, 2021.

Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system.

Health Care

Retirees, their spouses and dependents are eligible for a comprehensive medical expense health care plan as may be offered by the Retirement Board, subject to changes in terms and conditions from time to time.

Contributions

By Members: 14% of salary.

By Employers: 14% of salaries of their employees who are members.

Rehired Retirees: Rehired retirees who return to employment after retirement and their employers both contribute to the System. These contributions fund an additional benefit payable after termination of employment. The contributions and interest are paid as a lump-sum or converted to an additional annuity.

Summary of Benefit and Contribution Provisions — Combined Plan

Eligibility for Membership

New members hired on or after July 1, 2001, may elect in writing to participate in the Combined Plan.

Service Retirement

Eligibility: Age 60 with five years of service.

Amount: The balance in the member's defined contribution account plus an annual amount equal to 1% of final average salary for the five highest salary years multiplied by years of total Ohio service credit.

Before Aug. 1, 2015, the final average salary was the average of the member's three highest salary years.

Annual salary is subject to the limit under Section 401(a)(17) of the Internal Revenue Code.

Vesting

Eligibility: Completion of five years of service for the defined benefit portion. Member contributions and earnings are 100% vested at all times.

Amount: A member who terminates with five or more years of service credit can receive the actuarial equivalent present value of the defined benefit formula. Before age 50, a withdrawal must include both the defined benefit and defined contribution portions of the account.

Early Retirement

Eligibility: Before age 60 with five years of service.

Amount: The normal retirement benefit commencing at age 60. At age 50 or after, a member may elect to withdraw the full value of his or her defined contribution account and receive the withdrawal value of the defined benefit in a single sum, or leave the defined benefit on account for a benefit payable at age 60. The member may withdraw the defined benefit portion of the account only if he or she is also withdrawing the defined contribution account.

Optional Forms of Payment of Defined Benefit Portion

The greater of a lump sum of the actuarial equivalent of the defined benefit formula benefit or member contributions to the defined benefit portion. If a member withdraws the defined contribution account before age 50, the defined benefit portion is paid in a lump sum.

Joint and Survivorship Options — Options described in the Defined Benefit Plan provisions are available, as well as the PLOP. All alternative forms of payment are the actuarial equivalent of the Single Life Annuity benefit payable at age 60.

Optional Forms of Payment of Member's Defined Contribution Account

The actuarial equivalent of the member's defined contribution account can be paid on or after age 50 as a lifetime annuity. Options 1 through 4, described in the Defined Benefit Plan provisions, are also available. The monthly annuity must be $100 or more to receive the member's defined contribution account in the form of an annuity.

The vested amount of the member's defined contribution account upon termination of employment can be paid as a single lump sum. If a member takes a lump sum of the defined benefit formula benefit, the member must simultaneously withdraw the lump-sum value of the member's defined contribution account in a single lump sum.

Disability Benefits

Eligibility: Completion of five or more years of qualifying service credit and incapacitated from the performance of duty for at least 12 months. For membership on or after July 1, 2013, completion of 10 years of qualifying service credit with STRS Ohio.

Amount: 2.2% of the average salary during the five highest paid years times total service. Maximum allowance is 60% of final average salary and the minimum is 45%. All contributions and investment gains in the member's defined contribution account are used to fund the benefit. At age 65, the disability allowance converts to a service retirement benefit with a 2.2% formula.

Survivor Benefits

Eligibility: For membership before July 1, 2013, upon death after at least 1-1/2 years of qualifying service credit with at least 1/4 year of such service in the 2-1/2 years preceding death or upon death of a disability benefit recipient. For membership on or after July 1, 2013, upon death at least five years of qualifying service credit and died no later than one year after service terminated or upon death of a disability benefit recipient.

Amount: Qualified survivors have the option of receiving dependent-based, service-based or retirement-based benefits described under the Defined Benefit Plan. Both employer contributions and the member's contributions and any investment gains in the member's defined contribution account are used to fund the benefit. Survivors also have the option to withdraw the defined contribution and defined benefit portions of the Combined Plan account.

Health Care

Retirees, their spouses and dependents are eligible for a comprehensive medical expense health care plan as may be offered by the Retirement Board, subject to changes in terms and conditions from time to time.

Cost-of-Living Adjustment (COLA)

For disability and survivor benefits, the benefit is increased each year by 2% of the base benefit. For benefits beginning on or after Aug. 1, 2013, the 2% COLA would be paid beginning on the fifth anniversary of the benefit effective date. Future benefits are calculated on the base benefit and are not compounded.

Effective July 1, 2017, the COLA was reduced to zero.

Effective July 1, 2022, a 3% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018.

Effective July 1, 2023, a 1% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019.

Effective July 1, 2025, a 1.5% one-time ad-hoc COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2026 as long as they retired prior to July 1, 2021.

Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system.

Contributions

By Members: 14% of salary.

12% of salary is deposited into the member's defined contribution account and 2% is applied to the defined benefit portion of the Combined Plan.

By Employers: 14% of salaries of their employees who are Combined Plan members.

Summary of Benefit and Contribution Provisions — Defined Contribution Plan

Eligibility for Membership

New members hired on or after July 1, 2001, may elect in writing to participate in the Defined Contribution Plan.

Service Retirement

Eligibility: Termination after age 50.

Amount: The balance in the member's defined contribution account.

Vesting

Eligibility: Members vest 20% per year in employer contributions and all gains and losses on those contributions. Member contributions and earnings are 100% vested immediately.

Amount: The balance in the member's defined contribution account.

Early Retirement

Eligibility: Termination before age 50.

Amount: The balance in the member's defined contribution account.

Disability Benefits

Eligibility: None based on disability.

Amount: The balance in the member's defined contribution account. At age 50, other payment options are available, but employment must first be terminated.

Survivor Benefits

Eligibility: Upon death.

Amount: The balance in the member's defined contribution account. A spouse may either continue to manage the member's defined contribution account or withdraw the account.

Optional Forms of Payment

The actuarial equivalent of the member's defined contribution account can be paid on or after age 50 as a lifetime annuity. Options described in the Defined Benefit Plan provisions are also available. The monthly annuity must be $100 or more to receive the member's defined contribution account in the form of an annuity.

Cost-of-Living Adjustment (COLA)

Not available.

Health Care

Not available.

Contributions

By Members: 14% of salary is deposited into the member's defined contribution account.

By Employers: Effective July 1, 2022, 11.09% of salary is deposited into the member's Defined Contribution account and 2.91% of salaries are used to amortize the Unfunded Actuarial Liability of the Defined Benefit Plan.

In addition, 2.91% of the salaries of Alternative Retirement Plan members is used to amortize the Unfunded Actuarial Liability of the Defined Benefit Plan.

Actuarial Funded Ratio, Funding Period and Funding Progress, 2016–2025 (dollar amounts in thousands)

As of June 30	Actuarial Value of Assets	Actuarial Liability	Unfunded Actuarial Liability (UAL)	Funded Ratio	Covered Payroll*	UAL as % of Covered Payroll	Funding Period
2016	$70,114,637	$100,756,422	$30,641,785	69.6%	$10,069,268	304.3%	26.6 years
2017	$72,216,212	$96,126,440	$23,910,228	75.1%	$10,459,706	228.6%	18.4 years
2018	$73,115,358	$96,904,057	$23,788,699	75.5%	$10,775,526	220.8%	17.8 years
2019	$74,411,836	$97,840,944	$23,429,108	76.1%	$11,088,785	211.3%	16.6 years
2020	$76,357,681	$98,672,288	$22,314,607	77.4%	$11,392,013	195.9%	14.9 years
2021	$83,761,394	$104,591,406	$20,830,012	80.1%	$11,610,016	179.4%	14.0 years
2022	$85,141,846	$105,264,325	$20,122,479	80.9%	$12,224,438	164.6%	11.5 years
2023	$87,580,351	$107,782,905	$20,202,554	81.3%	$12,733,104	158.7%	11.2 years
2024	$91,313,222	$110,249,314	$18,936,092	82.8%	$13,118,569	144.3%	10.1 years
2025	**$92,677,992**	**$114,514,056**	**$21,836,064**	**80.9%**	**$13,584,827**	**160.7%**	**11.8 years**

*Excludes payroll from the Defined Contribution and Alternative Retirement Plans in order to report the amount needed to fund defined benefits.

CHEIRON *Classic Values, Innovative Advice*

November 19, 2025

Board of Trustees
State Teachers Retirement System of Ohio
275 East Broad Street
Columbus, Ohio 43215

Dear Members of the Board:

Our report presented to the Board for the October 16, 2025 Board meeting presents the most recent annual actuarial valuation as of June 30, 2025 and disclosure information under the Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75 for the Other Postemployment Benefits (OPEB) Plan provided by the State Teachers Retirement System of Ohio (STRS Ohio). This report has been prepared in accordance with Ohio Revised Code Section 3307.51(E), which requires the Board to have prepared annually a report giving a full accounting of the revenues and costs related to the provision of benefits under section 3307.39 of the Revised Code. This report is for the use of STRS Ohio and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Included in the report are the following supporting schedules prepared by Cheiron to be included in the Financial and Actuarial Sections of the *Annual Comprehensive Financial Report:*

- Financial/Required Supplementary Information
  - Schedule of Changes in Employers' Net OPEB Liability
  - Schedule of Employers' Net OPEB Liability
  - Schedule of Employers' Contributions – OPEB
  - Notes to Required Supplementary Information – OPEB
  - Sensitivity of the Net OPEB Liability to the Discount Rate and Trend Rate Assumptions

- Actuarial
  - Health Care Solvency Test
  - Schedule of Valuation Data – Active Members
  - Schedule of Valuation Data – Benefit Recipients
  - Benefit Recipients Added to and Removed from the Rolls
  - Summary of Membership Data
  - Health Care Cost Trends Rates

In preparing our report, we relied on information (some oral and some written) supplied by STRS Ohio. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in plan provisions or applicable law. While this report reflects the estimated impact on 2026 benefit recoveries and administrative costs due to the Inflation Reduction Act (IRA), it does not reflect any IRA related future changes beyond that year.

We certify that this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. In particular, the assumptions and methods used for funding purposes meet the requirements of the Actuarial Standards of Practice, in particular Standards Nos. 6, 27, and 44. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Sincerely,
Cheiron

Daniel J. Rhodes, FSA, MAAA
Principal Consulting Actuary

Alison Chafin, FSA, EA, MAAA
Consulting Actuary

www.cheiron.us 1.877.CHEIRON (243.4766)

A separate annual valuation of the retiree health care coverage provided by STRS Ohio was performed as of June 30, 2025, by Cheiron.

Summary of Actuarial Assumptions and Methods — Health Care Fund

The assumptions for this valuation were selected based on recent experience and expectations for the future. Demographic assumptions were reviewed and adopted by the board on Feb. 17, 2022, as part of an experience study performed (report dated and accepted March 11, 2022) covering the period from July 1, 2015, to June 30, 2021, with changes going into effect June 30, 2022.

Expected Return on Assets: 7.00%

Municipal Bond Yield: 5.20% as of June 30, 2025; Bond Buyer 20-Bond GO Index as of June 26, 2025.

Discount Rate: 7.00%, based on a blend of 5.20% municipal bond yield rate and the expected return on invested plan assets. The assets are sufficient to cover all expected benefits, thus the long-term rate of return is used.

Payroll Increase Rate: 3.00% per year for purposes of attributing individual costs under the Entry Age actuarial cost method.

Salary Increase Rate: Varies by service from 2.5% to 8.5%.

Per Person Health Care Cost Trend Rates:

	Medical + Prescription	
Year	Pre-65	65+
2025	7.20%	29.57%
2026	6.70%	11.30%
2027	6.36%	14.22%
2028	5.68%	12.57%
2029	5.23%	7.96%
2030	5.16%	7.67%
2031	5.09%	7.39%
2032	5.01%	7.14%
2033	4.94%	6.90%
2034	4.87%	6.43%
2035	4.52%	5.89%
2036	4.32%	5.58%
2037	4.22%	5.40%
2038	4.16%	5.27%
2039	4.12%	3.18%
2040	4.10%	4.10%
2041	4.08%	4.08%
2042	4.06%	4.06%
2043	4.05%	4.05%
2044	3.99%	3.99%
2045+	3.94%	3.94%

Changes Since the Last Valuation:

Economic Assumptions — Health care trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective Jan. 1, 2026. The larger Medicare trends for years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on Dec. 31, 2028.

Demographic Assumptions — None.

Claim and Expense Assumptions — Per capita health care costs were updated based on recent experience, as described above.

Summary of Key Substantive Plan Provisions — This valuation reflects the impact of the temporary changes to the eligibility for reduced and unreduced pension, as previously described, and the associated changes to the health care subsidy reimbursement levels, as adopted by the Board at the December 2024 and April 2025 meetings.

Percent of Retirees Electing Health Care Coverage: 65% of future eligible service retirees and 65% of future eligible disabled retirees are assumed to elect health care coverage. 100% of Combined Plan and 20% of Defined Benefit Plan future inactive vested participants are assumed to cash out. 30% of inactive vested participants who do not cash out are assumed to elect health care coverage. Current and future participants for whom the value of the benefits received is less than their contribution are assumed to drop coverage.

Benefit Elections: Below is a summary of medical plan election rates for future retirees by Medicare status.

Pre-Medicare Medical Plans	Benefit Election Rate
Aetna Basic PPO	100.0%

Medicare Medical Plans	Benefit Election Rate
Aetna Medicare Advantage	99.4%
Aetna Basic PPO	0.6%

Spousal Coverage: Of those future retirees who elect to continue health coverage, 20% were assumed to have an eligible spouse who also opts for health care coverage at that time.

Dependent Age: For current retirees, the actual spouse date of birth was used when available. For future retirees, male retirees are assumed to be three years older than their partners, and female retires are assumed to be one year younger than their partners.

Administrative Expenses: Health plan administrative expenses are included in the per capita claims costs.

Average Annual Claims and Expense Assumptions: The July 1, 2025–June 30, 2026, claims costs were developed based on the average of the 2025 and 2026 premium rates STRS Ohio pays its vendors, the average Wakely's projected 2025 and 2026 Employer Group Waiver Program (EGWP) Recoveries that STRS Ohio is expected to receive for calendar 2025 and calendar 2026 prescription filled dates and all rates were converted from a Per Adult or Per Child rate to a composite Per Person rate. A child load of 3.30% for medical and 2.04% for Rx was added onto the NME pre-65 claims and expenses to account for the fact that only adults are inputted in the valuation system, ProVal.

Average Claim and Expense Assumptions				
	Pre-Medicare		Medicare	
Age	Male	Female	Male	Female
40	$5,734	$9,620	$1,315	$1,257
50	$9,811	$11,837	$2,403	$2,298
60	$15,745	$16,863	$2,483	$2,374
65	$18,510	$17,339	$1,265	$1,231
70	$20,666	$19,345	$1,428	$1,292
80	$25,609	$23,980	$1,292	$1,220

Retiree Contributions: A weighted average total cost across the Plans shown in the Average Claim and Expenses Assumptions chart on Page 79 is used as the STRS Ohio subsidy. These amounts are assumed to increase with health trends.

Weighted Average Premiums	
Pre-65 retirees	$15,822.00
Retirees age 65+	$2,111.73

Medicare Part D Subsidy: The Medicare Part D direct subsidy is assumed to be $131 in 2025 and to increase by 3% for the next 15 years; subsequently, the Part D Direct subsidy is implicitly trended when the weighted average premiums are applied to the net Medicare Rx claims and expenses. Per GASB guidance, RDS Part D Subsidies are not reflected in valuations.

Medicare Part B Premium Credit: Service retirees, disabled retirees and surviving spouses who are enrolled in a Medicare STRS Ohio medical plan must be enrolled in Medicare Part B. They receive a $30 monthly credit towards the Part B premiums. The credit is bundled with the retiree premium, effectively reducing the monthly Medicare Eligible Retiree contribution by $30.

Health Care Solvency Test, 2017–2025 (dollar amounts in thousands)

	Accrued Liability For:				Portion of Accrued Liability Covered by Fair Value of Assets:		
Actuarial Valuation Date	(1) Active Members	(2) Inactive Members	(3) Retirees, Survivors & Dependents	Fair Value of Assets	(1)	(2)	(3)
Jan. 1, 2017	$2,596,979	$18,783	$3,271,404	$3,222,093	100%	100%	19%
Jan. 1, 2018	$777,500	$2,424	$1,636,026	$3,691,399	100%	100%	178%
June 30, 2018	$784,921	$1,965	$1,327,565	$3,721,349	100%	100%	221%
June 30, 2019	$872,892	$2,251	$1,340,775	$3,872,158	100%	100%	224%
June 30, 2020	$930,668	$2,279	$1,206,851	$3,897,296	100%	100%	246%
June 30, 2021	$1,137,505	$2,989	$1,680,827	$4,929,739	100%	100%	225%
June 30, 2022	$816,952	$3,987	$1,159,768	$4,570,040	100%	100%	323%
June 30, 2023	$1,643,818	$8,609	$1,186,116	$4,783,404	100%	100%	264%
June 30, 2024	$2,104,041	$10,231	$1,155,605	$5,166,687	100%	100%	264%
June 30, 2025	**$2,652,090**	**$13,524**	**$1,610,677**	**$5,488,071**	**100%**	**100%**	**175%**

Summary of Membership Data

Valuation Date	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Active members	170,327	170,004	167,838	166,424	174,031	175,028	174,832	**172,499**
Inactive members	18,384	18,762	19,415	20,430	20,190	20,908	21,417	**21,687**

STRS Ohio Health Care Program Enrollees

	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	Added	Terminated	June 30, 2025
Retirees	93,045	91,294	90,669	90,025	4,118	3,799	**90,344**
Disabled retirees	3,277	3,055	2,909	2,741	57	223	**2,575**
Survivors	4,237	4,143	4,045	3,915	342	386	**3,871**
Spouses and dependents (excluding children)	12,605	11,868	11,496	11,416	820	930	**11,306**
Total	**113,164**	**110,360**	**109,119**	**108,097**	**5,337**	**5,338**	**108,096**
Annual allowance (in thousands)	$348,642	$290,710	$206,054	$182,427	$8,585	($35,705)	**$226,717**

Benefit Recipients Added to and Removed From the Rolls — OPEB, 2018–2025

Fiscal Year Ended	Beginning Number of Benefit Recipients	Beginning Annual Allowances (in thousands)	Benefit Recipients Added	Payments Added (in thousands)	Benefit Recipients Removed	Payments Removed (in thousands)	Ending Number of Benefit Recipients	Ending Annual Allowance (in thousands)
2018	122,454	$351,457	2,057	$5,967	3,179	$8,681	121,332	$348,743
2019	121,332	$348,743	3,548	$15,080	6,354	$37,263	118,526	$326,560
2020	118,526	$326,560	3,272	$8,087	6,175	$13,740	115,623	$320,907
2021	115,623	$320,907	3,984	$28,348	6,443	$613	113,164	$348,642
2022	113,164	$348,642	3,376	$11,190	6,180	$69,122	110,360	$290,710
2023	110,360	$290,710	4,323	$18,380	5,564	$103,036	109,119	$206,054
2024	109,119	$206,054	4,269	$7,363	5,291	$30,990	108,097	$182,427
2025	**108,097**	**$182,427**	**5,337**	**$8,585**	**5,338**	**-$35,705**	**108,096**	**$226,717**

Schedule of Valuation Data — OPEB, Active Members, 2018–2025

Valuation Date	Number of Active Members	Annualized Salaries (in thousands)	Annual Average Pay	% Increase in Average Pay
2018	170,327	$10,581,345	$62,124	6.1%
2019	170,004	$10,849,863	$63,821	2.7%
2020	167,838	$11,192,069	$66,684	4.5%
2021	166,424	$11,404,226	$68,525	2.8%
2022	174,031	$12,144,257	$69,782	1.8%
2023	175,028	$12,533,620	$71,609	2.6%
2024	174,832	$12,900,197	$73,786	3.0%
2025	**172,499**	**$13,222,583**	**$76,653**	**3.9%**

Schedule of Valuation Data — OPEB, Retirees/Beneficiaries, 2018–2025

Valuation Date	Number of Retirees/Beneficiaries	Annual Allowances (in thousands)	Average Annual Allowances	% Increase in Annual Allowances
2018	121,332	$348,743	$2,874	2.3%
2019	118,526	$326,560	$2,755	–4.1%
2020	115,623	$320,907	$2,775	0.7%
2021	113,164	$348,642	$3,081	11.0%
2022	110,360	$290,710	$2,634	–14.5%
2023	109,119	$206,054	$1,888	–28.3%
2024	108,097	$182,427	$1,688	–10.6%
2025	**108,096**	**$226,717**	**$2,097**	24.3%

Note: Certain OPEB data needed to populate the above charts prior to 2018 was not available due to a change in actuaries.

Actuarial Funded Ratio, Funding Period and Funding Progress — OPEB, 2016–2025

(dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability	Unfunded Actuarial Liability (UAL)	Funded Ratio	Covered Payroll	UAL as % of Covered Payroll
June 30, 2016	$3,185,628	$8,533,654	$5,348,026	37.3%	$10,628,269	50.3%
June 30, 2017	$3,475,779	$7,377,410	$3,901,631	47.1%	$10,767,964	36.2%
June 30, 2018	$3,721,349	$2,114,451	$(1,606,898)	176.0%	$10,775,526	–14.9%
June 30, 2019	$3,872,158	$2,215,918	$(1,656,240)	174.7%	$11,088,785	–14.9%
June 30, 2020	$3,897,296	$2,139,798	$(1,757,498)	182.1%	$11,392,013	–15.4%
June 30, 2021	$4,929,740	$2,821,321	$(2,108,419)	174.7%	$11,610,016	–18.2%
June 30, 2022	$4,570,040	$1,980,707	$(2,589,333)	230.7%	$12,224,438	–21.2%
June 30, 2023	$4,783,404	$2,838,542	$(1,944,861)	168.5%	$12,733,104	–15.3%
June 30, 2024	$5,166,687	$3,269,878	$(1,896,809)	158.0%	$13,118,569	–14.5%
June 30, 2025	**$5,488,071**	**$4 ,276,291**	**$(1,211,780)**	**128.3%**	**$13,584,827**	**–8.92%**

The objective of the statistical section is to provide financial statement users with historical perspective, context and detail to assist in using the information in the financial statements and the notes to the financial statements to better understand and assess STRS Ohio's economic condition.

The schedules on Pages 84–85 show financial trend information that assists users in understanding and assessing how STRS Ohio's financial position has changed over time. The financial trend schedules presented are:

- Changes in Fiduciary Net Position
- Net Position by Plan
- Benefit Expenses by Type

Demographic and economic information begins on Pages 86–87. This information is intended to assist users in understanding the environment in which STRS Ohio operates and to provide information that facilitates comparisons of financial statement information over time and among governments. The demographic and economic information presented is:

- Actuarial Funded Ratio and Funding Period
- Selected Funding Information — Defined Benefit Plan
- Number of Benefit Recipients by Type
- Summary of Active Membership Data

Operating information, which begins on Page 88, is intended to provide contextual information about STRS Ohio's operation to assist in using financial statement information. The operating information presented is:

- Benefit Payments by Type
- Average Benefit Payments for Service Retirees
- Average Benefit Subsidy Payments for Retirees Enrolled in Health Care Program
- Number of Reporting Employers by Type
- Principal Participating Employers
- Employers All Other Categories

Changes in Fiduciary Net Position
Years Ended June 30, 2016–2025 (in thousands)

Defined Benefit Plan

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Additions:										
Member contributions	$ 1,289,809	$ 1,443,374	$ 1,479,151	$ 1,515,445	$ 1,554,973	$ 1,585,509	$ 1,672,407	$ 1,740,170	$ 1,790,413	$ 1,852,849
Employer contributions	1,466,938	1,514,285	1,565,679	1,614,188	1,662,017	1,696,121	1,776,074	1,829,307	1,884,539	1,952,301
Transfers from Defined Contribution Plan	N/A	N/A	N/A	N/A	14,941	22,933	24,051	19,315	15,525	16,332
Net investment income (loss)	361,567	9,098,570	6,625,382	4,768,116	2,674,947	20,620,798	(4,661,499)	6,729,134	8,249,096	9,067,837
Other	55,441	54,649	43,248	63,435	39,288	60,129	104,114	67,166	68,756	102,920
Total additions	3,173,755	12,110,878	9,713,460	7,961,184	5,946,166	23,985,490	(1,084,853)	10,385,092	12,008,329	12,992,239
Deductions:										
Benefit payments	7,090,037	6,989,165	7,052,642	7,040,052	7,023,096	7,048,431	7,123,033	7,242,266	7,394,016	7,781,332
Refunds	205,223	190,517	219,453	218,601	225,545	221,018	244,859	261,064	311,529	327,208
Administrative expenses	61,038	62,592	62,775	63,858	65,405	65,363	65,860	73,450	70,182	77,160
Total deductions	7,356,298	7,242,274	7,334,870	7,322,511	7,314,046	7,334,812	7,433,752	7,576,780	7,775,727	8,185,700
Net increase (decrease)	(4,182,543)	4,868,604	2,378,590	638,673	(1,367,880)	16,650,678	(8,518,605)	2,808,312	4,232,602	4,806,539
Net position held in trust, beginning of year	70,432,646	66,250,103	71,118,707	73,457,567	74,096,240	72,728,360	89,379,038	80,860,433	83,668,745	87,901,347
Prior period adjustment GASB 68 2015; GASB 75 2018	N/A	N/A	(39,730)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Beginning of year restated	N/A	N/A	71,078,977	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net position held in trust, end of year	**$66,250,103**	**$71,118,707**	**$73,457,567**	**$74,096,240**	**$72,728,360**	**$89,379,038**	**$80,860,433**	**$83,668,745**	**$87,901,347**	**$92,707,886**

Defined Contribution Plan

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Additions:										
Member contributions	$ 82,224	$ 94,303	$ 101,279	$ 107,650	$ 115,433	$ 121,309	$ 133,810	$ 144,205	$ 153,839	$ 165,985
Employer contributions	34,164	36,969	39,103	41,944	44,944	46,928	52,184	64,339	69,316	75,254
Net investment income (loss)	11,304	135,360	112,075	79,401	17,129	591,881	(339,212)	285,701	406,932	397,311
Transfers between retirement plans	(11,440)	(15,034)	(14,003)	(17,413)	N/A	N/A	N/A	N/A	N/A	N/A
Total additions	116,252	251,598	238,454	211,582	177,506	760,118	(153,218)	494,245	630,087	638,550
Deductions:										
Refunds	26,847	31,324	31,706	39,753	45,028	57,753	74,987	68,857	86,658	106,432
Transfers to Defined Benefit Plan	N/A	N/A	N/A	N/A	14,941	22,933	24,051	19,315	15,525	16,332
Administrative expenses	1,033	1,060	532	259	356	448	448	616	775	929
Total deductions	27,880	32,384	32,238	40,012	60,325	81,134	99,486	88,788	102,958	123,693
Net increase (decrease)	88,372	219,214	206,216	171,570	117,181	678,984	(252,704)	405,457	527,129	514,857
Net position held in trust, beginning of year	944,933	1,033,305	1,252,519	1,458,735	1,630,305	1,747,486	2,426,470	2,173,766	2,579,223	3,106,352
Net position held in trust, end of year	**$ 1,033,305**	**$ 1,252,519**	**$ 1,458,735**	**$ 1,630,305**	**$ 1,747,486**	**$ 2,426,470**	**$ 2,173,766**	**$ 2,579,223**	**$ 3,106,352**	**$3,621,209**

Health Care Fund

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Additions:										
Employer contributions	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Health care premiums	339,927	339,056	329,305	312,841	295,779	N/A	N/A	N/A	N/A	N/A
Net investment income (loss)	17,001	440,197	328,965	244,700	140,300	1,121,699	(261,500)	380,700	476,300	533,000
Government reimbursements	58,812	79,357	107,197	84,789	81,876	96,478	97,713	100,515	91,900	148,074
Total additions	415,740	858,610	765,467	642,330	517,955	1,218,177	(163,787)	481,215	568,200	681,074
Deductions:										
Health care benefit payments	676,993	565,962	517,470	489,169	490,559	183,390	193,572	265,603	182,827	357,047
Administrative expenses	2,655	2,497	2,427	2,352	2,258	2,344	2,340	2,248	2,090	2,643
Total deductions	679,648	568,459	519,897	491,521	492,817	185,734	195,912	267,851	184,917	359,690
Net increase (decrease)	(263,908)	290,151	245,570	150,809	25,138	1,032,443	(359,699)	213,364	383,283	321,384
Net position held in trust, beginning of year	3,449,536	3,185,628	3,475,779	3,721,349	3,872,158	3,897,296	4,929,739	4,570,040	4,783,404	5,166,687
Net position held in trust, end of year	**$ 3,185,628**	**$ 3,475,779**	**$ 3,721,349**	**$ 3,872,158**	**$ 3,897,296**	**$ 4,929,739**	**$ 4,570,040**	**$ 4,783,404**	**$ 5,166,687**	**$5,488,071**

Beginning in fiscal 2021, health care premiums are reported against health care benefit payments.

Net Position by Plan
Years Ended June 30, 2016–2025 (in thousands)

Fiscal Year	Defined Benefit Plan	Defined Contribution Plan	Health Care Fund	Total Net Position
2016	$66,250,103	$1,033,305	$3,185,628	$70,469,036
2017	$71,118,707	$1,252,519	$3,475,779	$75,847,005
2018	$73,457,567	$1,458,735	$3,721,349	$78,637,651
2019	$74,096,240	$1,630,305	$3,872,158	$79,598,703
2020	$72,728,360	$1,747,486	$3,897,296	$78,373,142
2021	$89,379,038	$2,426,470	$4,929,739	$96,735,247
2022	$80,860,433	$2,173,766	$4,570,040	$87,604,239
2023	$83,668,745	$2,579,223	$4,783,404	$91,031,372
2024	$87,901,347	$3,106,352	$5,166,687	$96,174,386
2025	**$92,707,886**	**$3,621,209**	**$5,488,071**	**$101,817,166**

Benefit Expenses by Type
Years Ended June 30, 2016–2025 (in thousands)

Fiscal Year	Service Retirement	Disability	Survivor	Other	Total
2016	$6,714,014	$212,614	$124,808	$38,601	$7,090,037
2017	$6,612,638	$210,649	$123,959	$41,919	$6,989,165
2018	$6,673,049	$206,969	$124,756	$47,868	$7,052,642
2019	$6,669,115	$201,726	$123,971	$45,240	$7,040,052
2020	$6,697,443	$195,253	$124,030	$6,370	$7,023,096
2021	$6,716,896	$189,145	$123,823	$18,567	$7,048,431
2022	$6,777,083	$181,521	$124,048	$40,381	$7,123,033
2023	$6,883,424	$176,371	$125,986	$56,485	$7,242,266
2024	$7,057,219	$172,667	$127,251	$36,879	$7,394,016
2025	**$7,447,386**	**$164,930**	**$127,134**	**$41,882**	**$7,781,332**

Actuarial Funded Ratio and Funding Period, 2016–2025 (dollar amounts in thousands)

As of June 30	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Funding Period
2016	$70,114,637	$100,756,422	$30,641,785	69.6%	26.6 years
2017	$72,216,212	$96,126,440	$23,910,228	75.1%	18.4 years
2018	$73,115,358	$96,904,057	$23,788,699	75.5%	17.8 years
2019	$74,411,836	$97,840,944	$23,429,109	76.1%	16.6 years
2020	$76,357,681	$98,672,288	$22,314,607	77.4%	14.9 years
2021	$83,761,394	$104,591,406	$20,830,012	80.1%	14.0 years
2022	$85,141,846	$105,264,325	$20,122,479	80.9%	11.5 years
2023	$87,580,351	$107,782,905	$20,202,554	81.3%	11.2 years
2024	$91,313,222	$110,249,314	$18,936,092	82.8%	10.1 years
2025	**$92,677,992**	**$114,514,056**	**$21,836,064**	**80.9%**	**11.8 years**

Selected Funding Information — Defined Benefit Plan, 2016–2025

		Employer Contribution Rate					
As of June 30	Member Contribution Rate	Employer Normal Cost	Health Care	Unfunded Actuarial Accrued Liability	Total Employer Rate	Interest Rate Assumption	Payroll Growth Assumption
2016	14.00%	–3.05%	0.00%	17.05%	14.00%	7.75%	3.50%
2017	14.00%	–3.16%	0.00%	17.16%	14.00%	7.45%	3.00%
2018	14.00%	–3.09%	0.00%	17.09%	14.00%	7.45%	3.00%
2019	14.00%	–3.17%	0.00%	17.17%	14.00%	7.45%	3.00%
2020	14.00%	–2.95%	0.00%	16.95%	14.00%	7.45%	3.00%
2021	14.00%	–1.77%	0.00%	15.77%	14.00%	7.00%	3.00%
2022	14.00%	–2.91%	0.00%	16.91%	14.00%	7.00%	3.00%
2023	14.00%	–2.83%	0.00%	16.83%	14.00%	7.00%	3.00%
2024	14.00%	–2.64%	0.00%	16.64%	14.00%	7.00%	3.00%
2025	**14.00%**	**–2.47%**	0.00%	**16.47%**	**14.00%**	**7.00%**	3.00%

Number of Benefit Recipients by Type, 2016–2025

As of June 30	Service Retirement	Disability	Beneficiaries Receiving Optional Allowances	Survivor	Total
2016	135,638	5,640	10,767	5,893	157,938
2017	135,446	5,498	11,135	5,960	158,039
2018	134,718	5,314	11,486	5,904	157,422
2019	134,465	5,183	11,880	5,890	157,418
2020	133,766	4,986	12,309	5,846	156,907
2021	133,532	4,789	12,830	5,770	156,921
2022	132,765	4,549	13,199	5,712	156,225
2023	132,921	4,367	13,583	5,640	156,511
2024	132,910	4,155	13,974	5,555	156,594
2025	**134,627**	**3,950**	**14,344**	**5,478**	**158,399**

Summary of Active Membership Data, 2016–2025 (dollars in thousands)

Defined Benefit Plan

	Females				Males				Total			
As of June 30	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service
2016	116,728	$6,404,312	42.96	12.01	46,532	$2,849,489	44.11	12.02	163,260	$9,253,801	43.29	12.02
2017	115,925	$6,600,162	43.25	12.42	46,131	$2,913,921	44.41	12.39	162,056	$9,514,083	43.58	12.41
2018	117,692	$6,881,822	43.54	12.68	46,246	$2,999,599	44.72	12.69	163,938	$9,881,421	43.87	12.68
2019	117,646	$7,082,124	43.75	12.98	45,833	$3,062,544	45.06	13.08	163,479	$10,144,667	44.12	13.01
2020	116,250	$7,323,611	44.02	13.46	44,845	$3,136,140	45.31	13.62	161,095	$10,459,751	44.38	13.50
2021	115,321	$7,477,668	43.94	13.69	44,247	$3,162,389	45.29	13.90	159,568	$10,640,057	44.31	13.75
2022	120,980	$7,908,975	43.96	13.40	45,715	$3,291,630	45.39	13.69	166,695	$11,200,606	44.35	13.48
2023	121,789	$8,206,552	44.11	13.41	45,737	$3,397,787	45.58	13.73	167,526	$11,604,339	44.51	13.50
2024	121,689	$8,449,485	44.28	13.54	45,510	$3,479,137	45.71	13.85	167,199	$11,928,621	44.67	13.62
2025	**120,073**	**$8,648,751**	**44.24**	**13.53**	**44,673**	**$3,521,888**	**45.62**	**13.77**	**164,746**	**$12,170,639**	**44.61**	**13.60**

Combined Plan

	Females				Males				Total			
As of June 30	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service
2016	4,657	$234,432	40.48	7.95	1,295	$74,004	42.82	7.55	5,952	$308,436	40.99	7.86
2017	4,754	$250,040	40.88	8.35	1,322	$78,265	43.20	7.93	6,076	$328,305	41.38	8.26
2018	5,005	$271,250	41.02	8.64	1,384	$84,633	43.28	8.18	6,389	$355,883	41.51	8.54
2019	5,102	$288,624	41.14	9.04	1,423	$90,315	43.51	8.56	6,525	$378,939	41.66	8.94
2020	5,260	$310,026	41.34	9.40	1,483	$97,061	43.53	8.87	6,743	$407,087	41.82	9.28
2021	5,337	$327,699	41.25	9.81	1,522	$103,238	43.52	9.20	6,859	$430,937	41.75	9.67
2022	5,745	$360,039	41.28	9.73	1,596	$111,143	43.51	9.30	7,341	$471,182	41.76	9.64
2023	5,858	$384,942	41.45	9.99	1,648	$120,000	43.96	9.48	7,506	$504,942	42.00	9.88
2024	5,968	$408,690	41.74	10.31	1,669	$126,157	44.01	9.76	7,637	$534,847	42.24	10.19
2025	**6,083**	**$436,505**	**41.97**	**10.62**	**1,677**	**$134,553**	**44.36**	**10.03**	**7,760**	**$571,058**	**42.49**	**10.49**

Total Active Membership

	Females				Males				Total			
As of June 30	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service	Active Members	Annual Salaries	Average Age	Average Service
2016	121,385	$6,638,743	42.86	11.86	47,827	$2,923,493	44.08	11.90	169,212	$9,562,236	43.21	11.87
2017	120,679	$6,850,202	43.15	12.26	47,453	$2,992,186	44.38	12.26	168,132	$9,842,388	43.50	12.26
2018	122,697	$7,153,072	43.43	12.52	47,630	$3,084,232	44.68	12.56	170,327	$10,237,304	43.78	12.53
2019	122,748	$7,370,749	43.64	12.81	47,256	$3,152,858	45.01	12.94	170,004	$10,523,607	44.02	12.85
2020	121,510	$7,633,638	43.90	13.28	46,328	$3,233201	45.25	13.47	167,838	$10,866,839	44.28	13.33
2021	120,658	$7,805,368	43.82	13.52	45,769	$3,265,627	45.23	13.74	166,427	$11,070,995	44.21	13.58
2022	126,725	$8,269,014	43.84	13.23	47,311	$3,402,773	45.33	13.54	174,036	$11,671,787	44.24	13.32
2023	127,647	$8,591,494	43.99	13.25	47,385	$3,517,787	45.52	13.58	175,032	$12,109,281	44.40	13.34
2024	127,657	$8,858,175	44.16	13.39	47,179	$3,605,294	45.65	13.71	174,836	$12,463,469	44.56	13.47
2025	**126,156**	**$9,085,256**	**44.13**	**13.39**	**46,350**	**$3,656,441**	**45.57**	**13.63**	**172,506**	**$12,741,697**	**44.52**	**13.46**

Note: Members enrolled in STRS Ohio's Defined Contribution Plan and reemployed retirees are not reflected in the above figures. Totals may differ due to rounding.

Benefit Payments by Type
As of June 30, 2025

Age Last Birthday	Number	Annual Allowance (in thousands)	Average Annual Allowance
Service Retirees			
Under 60	4,605	$ 281,660	$ 61,164
60–64	10,023	525,642	52,444
65–69	20,001	955,987	47,797
70–74	31,596	1,596,659	50,534
75–79	33,470	1,737,271	51,905
Over 79	34,932	1,603,587	45,906
Total	**134,627**	**$ 6,700,806**	**$ 49,773**
Disability Benefit Recipients			
Under 60	691	$ 24,303	$ 35,170
60–64	557	23,561	42,300
65–69	386	17,285	44,779
70–74	658	28,751	43,695
75–79	846	36,625	43,292
Over 79	812	30,740	37,857
Total	**3,950**	**$ 161,265**	**$ 40,827**
Beneficiaries Receiving Optional Allowances			
Under 60	5	$ 228	$ 45,636
60–64	88	3,631	41,259
65–69	364	15,251	41,898
70–74	1,225	53,719	43,853
75–79	2,595	112,765	43,455
Over 79	10,067	350,195	34,786
Total	**14,344**	**$ 535,789**	**$ 37,353**
Survivor Benefit Recipients			
Under 60	1,264	$ 18,818	$ 14,887
60–64	365	8,834	24,203
65–69	432	10,586	24,506
70–74	805	21,702	26,959
75–79	845	23,207	27,464
Over 79	1,767	44,981	25,456
Total	**5,478**	**$ 128,128**	**$ 23,390**
Grand Total	**158,399**	**$ 7,525,989**	**$ 47,513**

Average Benefit Payments for Service Retirees
July 1–June 30, 2016–2025

		Years of Service Credit							
		5–9	10–14	15–19	20–24	25–29	30–33	34+	Average/Total
2016	Average monthly benefit	$540	$989	$1,562	$2,440	$3,359	$4,414	$5,999	$3,805
	Average final average salary	$45,268	$52,092	$59,616	$71,777	$81,463	$84,916	$92,153	$79,495
	Number of recipients	92	147	347	500	686	1,189	801	3,762
2017	Average monthly benefit	$504	$1,150	$1,619	$2,453	$3,253	$4,268	$5,508	$3,460
	Average final average salary	$44,471	$60,384	$62,461	$74,083	$80,735	$81,981	$87,382	$77,032
	Number of recipients	75	119	237	282	366	946	258	2,283
2018	Average monthly benefit	$483	$1,067	$1,690	$2,416	$3,325	$4,498	$5,655	$3,454
	Average final average salary	$37,558	$54,811	$63,271	$71,915	$81,491	$86,398	$94,332	$78,110
	Number of recipients	80	111	304	344	406	707	323	2,275
2019	Average monthly benefit	$584	$1,088	$1,778	$2,480	$3,300	$4,527	$5,341	$3,637
	Average final average salary	$45,300	$57,695	$66,023	$72,714	$80,278	$85,668	$89,423	$79,278
	Number of recipients	75	127	279	380	447	1,046	429	2,783
2020	Average monthly benefit	$528	$1,056	$1,714	$2,575	$3,475	$4,561	$5,521	$3,646
	Average final average salary	$42,644	$54,055	$64,370	$74,930	$81,607	$88,943	$92,589	$80,373
	Number of recipients	72	129	275	437	423	667	545	2,549
2021	Average monthly benefit	$522	$1,127	$1,840	$2,594	$3,483	$4,681	$5,682	$3,863
	Average final average salary	$41,664	$56,775	$66,971	$75,035	$83,495	$89,153	$94,813	$82,509
	Number of recipients	85	169	276	437	471	1,011	666	3,115
2022	Average monthly benefit	$541	$1,103	$1,766	$2,661	$3,456	$4,709	$5,716	$3,879
	Average final average salary	$44,765	$56,101	$66,494	$76,999	$86,626	$94,299	$96,512	$84,914
	Number of recipients	116	155	253	459	521	740	826	3,070
2023	Average monthly benefit	$499	$1,064	$1,794	$2,771	$3,579	$4,343	$5,611	$4,103
	Average final average salary	$40,539	$53,445	$67,716	$78,844	$86,257	$91,868	$95,908	$85,961
	Number of recipients	101	153	291	421	498	553	1,453	3,470
2024	Average monthly benefit	$548	$1,107	$1,959	$2,761	$3,634	$4,417	$5,719	$4,377
	Average final average salary	$45,567	$57,018	$71,295	$79,817	$85,915	$93,135	$97,343	$88,794
	Number of recipients	91	162	204	470	483	589	1,837	3,836
2025	**Average monthly benefit**	**$623**	**$1,233**	**$1,919**	**$2,903**	**$3,668**	**$4,881**	**$5,827**	**$4,625**
	Average final average salary	**$50,715**	**$61,716**	**$69,313**	**$81,799**	**$89,028**	**$94,744**	**$101,053**	**$92,499**
	Number of recipients	**84**	**173**	**193**	**398**	**532**	**1,551**	**1,863**	**4,794**

Average Benefit Subsidy Payments for Retirees Enrolled in Health Care Program, 2016–2025

		Years of Service Credit						
		5–9*	10–14*	15–19	20–24	25–29	30+	Average/Total
FY 2016	Average monthly subsidy	$36	$47	$165	$214	$269	$329	$302
	Number of recipients	1,167	1,301	4,172	6,746	12,700	84,633	110,719
FY 2017	Average monthly subsidy	$37	$52	$162	$207	$260	$307	$284
	Number of recipients	1,074	1,170	4,017	6,610	12,494	83,345	108,710
FY 2018	Average monthly subsidy	$34	$48	$158	$198	$247	$289	$268
	Number of recipients	950	1,019	4,019	6,489	12,262	82,257	106,996
FY 2019	Average monthly subsidy	$32	$45	$158	$200	$250	$282	$265
	Number of recipients	854	914	3,935	6,316	12,030	82,370	106,419
FY 2020	Average monthly subsidy	$32	$46	$159	$198	$248	$281	$264
	Number of recipients	772	836	3,827	6,144	11,813	80,980	104,372
FY 2021	Average monthly subsidy	$32	$48	$160	$199	$249	$281	$265
	Number of recipients	683	734	3,708	6,013	11,589	79,575	102,302
FY 2022	Average monthly subsidy	$31	$48	$155	$192	$235	$269	$254
	Number of recipients	580	649	3,583	5,865	11,376	78,506	100,559
FY 2023	Average monthly subsidy	$18	$36	$120	$149	$184	$220	$206
	Number of recipients	499	589	3,474	5,745	11,132	77,053	98,492
FY 2024	Average monthly subsidy	$34	$48	$110	$134	$163	$206	$191
	Number of recipients	480	547	3,545	5,895	11,289	75,860	97,616
FY 2025	**Average monthly subsidy**	**$35**	**$50**	**$103**	**$127**	**$152**	**$200**	**$187**
	Number of recipients	**436**	**477**	**3,376**	**5,841**	**11,137**	**75,065**	**96,332**

*Eligibility Requirements

- Retire on or after Aug. 1, 2023: At least 20 years of service credit is required to qualify for coverage and a subsidy.
- Retire Jan. 1, 2004-July 1, 2023: At least 15 years of service credit is required to qualify for coverage and a subsidy.
- Retire before Jan. 1, 2004: No minimum years of service credit is required to qualify for coverage; however, at least 15 years of service credit is required to qualify for a subsidy.

The subsidy amounts listed for years of service credit less than fifteen years are reflective of the Medicare Part B Premium Reimbursements and Premium Credits, which currently require a minimum five years of service credit, and some other subsidy situations.

Number of Reporting Employers by Type, 2016–2025

Fiscal Year Ended	City School Districts	Local School Districts	County Educational Service Centers	Exempted Village School Districts	Joint Vocational Schools	Colleges and Universities	County Boards of Developmental Disabilities	Community Schools	Other	Total
2016	194	369	52	49	49	36	62	329	12	1,152
2017	194	369	52	49	49	36	61	323	12	1,145
2018	194	369	52	49	49	36	61	318	12	1,140
2019	194	369	52	49	49	36	59	302	11	1,121
2020	194	369	52	49	49	36	59	302	12	1,122
2021	194	368	52	49	49	36	56	299	12	1,115
2022	194	368	51	49	49	36	54	307	13	1,121
2023	194	368	51	49	49	36	54	318	13	1,132
2024	194	368	51	49	49	36	50	324	12	1,133
2025	**191**	**371**	**51**	**49**	**49**	**36**	**50**	**330**	**12**	**1,139**

Principal Participating Employers for the Year Ended June 30, 2025

Employer	Covered Members	Prior Year Rank	Percentage of Membership
The Ohio State University	6,215	1	2.58%
Columbus City Schools	5,135	2	2.13%
University of Cincinnati	3,974	4	1.65%
Cleveland Metropolitan Schools	3,947	3	1.64%
ESC Council of Governments	3,942	6	1.64%
Cincinnati City Schools	3,839	5	1.59%
ESC Of Northeast Ohio	2,812	10	1.17%
Akron Public Schools	2,683	7	1.11%
Toledo Public Schools	2,675	8	1.11%
Kent State University	2,511	9	1.04%
All Others	203,316		84.34%
Total Covered Members	**241,049***		**100.00%**

*Covered members include any participant in STRS Ohio who made contributions through a reporting employer during the fiscal year. Part-time teachers working in multiple school districts are included within each school's payroll data and, consequently, are reported more than once. Participating employers include every publicly funded school in Ohio employing a licensed teacher. A complete listing of participating employers is available upon request. Years prior to the current year are not reflected since the participating employers do not change substantially from year to year.

Employers — All Other Categories for the Year Ended June 30, 2025

Reporting Employer Type	Covered Members
City School Districts	72,671
Local School Districts	64,075
Colleges and Universities	21,985
County Educational Service Centers	10,771
Community Schools	11,418
Exempted Village School Districts	8,825
Joint Vocational Schools	8,569
Other	4,151
County Boards of Developmental Disabilities	851
Total	**203,316**

Note: Reporting employers includes the Defined Benefit, Defined Contribution and Health Care Plans.

STRS Ohio Plays a Critical Role in Supporting and Sustaining the State of Ohio

Ohio's pension systems share one common goal: **to provide retirement security for the thousands of public servants who have made a career out of serving others.**

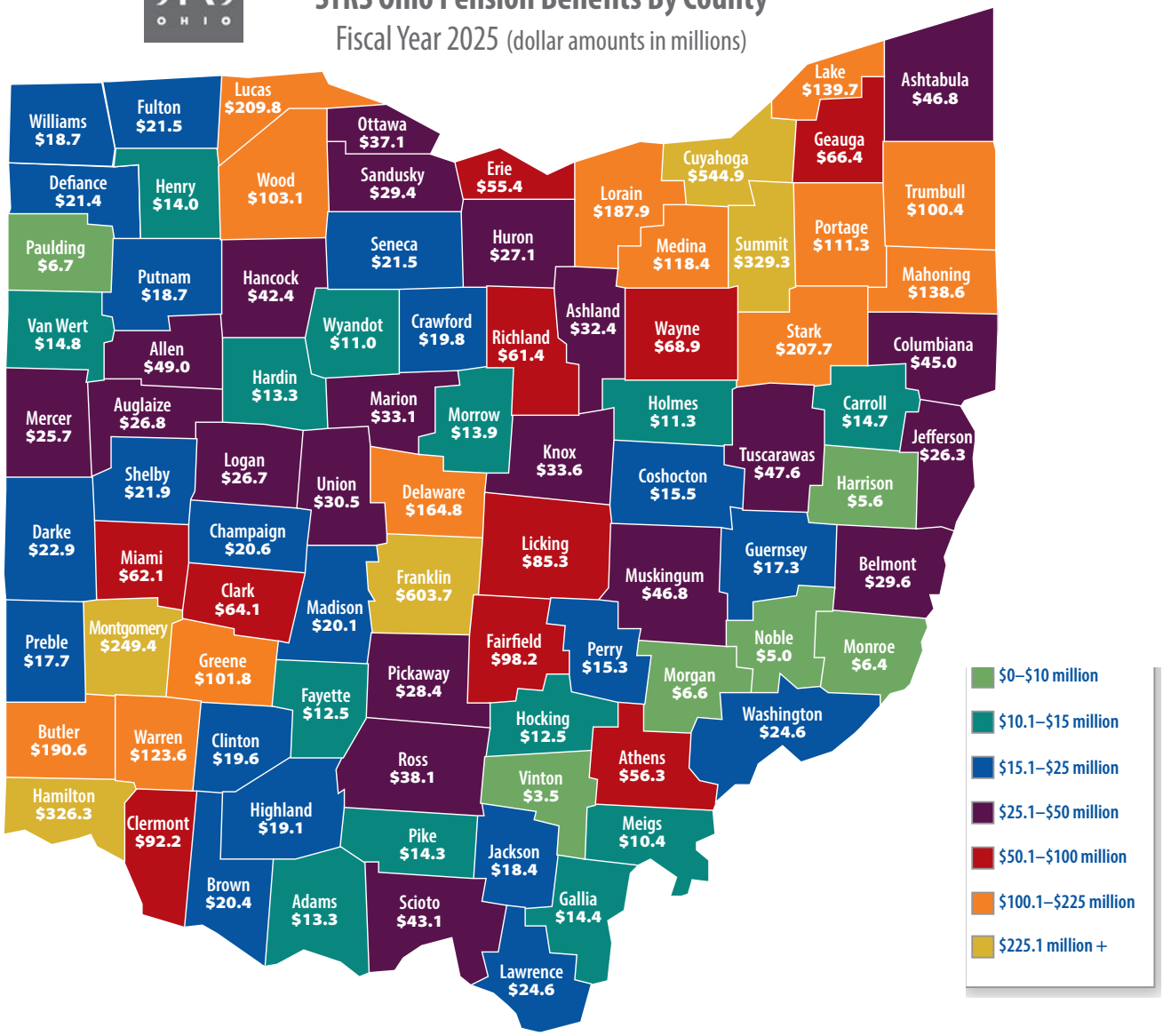
STRS Ohio is one of Ohio's five statewide public pension systems and plays a critical role in supporting and sustaining the State of Ohio. Together, Ohio's statewide public retirement systems serve over a million of the state's citizens, both working and retired. The five systems provide a stable source of revenue for local economies, paying more than $17 billion annually in pension and health care benefits.

These pension systems are major economic drivers for the state; are administratively efficient and economical; and provide a stable retirement income for public workers in Ohio, thereby reducing the burden on taxpayers and Social Security. In fact, these earned pensions represent good public policy for helping to maintain financial security for Ohio's older citizens.

Economic Impact on the State of Ohio

STRS Ohio Pension Benefits By County

Fiscal Year 2025 (dollar amounts in millions)



$6.0 BILLION

STRS Ohio benefits distributed among Ohio's 88 counties

8 OUT OF 10

STRS Ohio benefit recipients live in Ohio

$1.2 BILLION

STRS Ohio investments with companies headquartered in Ohio

State Teachers Retirement System of Ohio
275 E. Broad St., Columbus, OH 43215-3771 • 614.227.4090 • www.strsoh.org

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