

STRS Target Choice Options

Blend

In addition to the individual asset class choices, STRS Ohio offers blended portfolios with a mix of fixed income, international equities, domestic equities and real estate. These options are designed as single, comprehensive investment solutions for participants who plan to retire during the specified date ranges. Asset allocations are adjusted over time in accordance with each target choice's glidepath, becoming more conservative as it approaches the target year.

Investment Objective

These allocation options target a year in the future that would roughly match a participant's retirement date. As the target date approaches, the more conservative the investment mix becomes — moving from a substantial allocation to stocks in the early years (for greater growth opportunities) toward a more balanced mix of stocks and bonds (to reduce volatility) as the target date nears. When the Target Choice reaches its target date, participants who are not going to annuitize the account for retirement must transfer the accumulated value to other STRS Ohio investment options. If no other option is chosen, the accumulated value of the choice automatically rolls into the nearest Target Choice option. For example, if a member has contributions placed in the Target Choice 2020 option and he or she has not provided new allocation instructions by Dec. 31, 2020, the accumulated value in the Target Choice 2020 option will roll into the Target Choice 2025 option.

Investment Characteristics

Target Choice options will consist of blends of domestic and international equities, fixed income and real estate investments. Allocations are based on the following indices:

- Domestic Equities — Russell 3000 Index (includes large-, mid- and small-cap)
- International Equities — MSCI World ex USA Index
- Fixed Income — Bloomberg Barclays U.S. Universal Bond Index
- Real Estate — FTSE NAREIT Equity REITs Index

Risk

STRS Target Choice options are intended as long-term investment vehicles due to the volatility of returns on common stocks over short time periods. These options do not provide guaranteed income or payouts. The asset allocations for these choices will be geared toward the average investor. Since the choice currently invests more of its assets in stocks, the choice's overall risk will be greater than a fund that invests a majority of assets in bonds; however, the level of risk should be lower than that of a fund investing entirely in stocks. The choice is subject to a variety of risks which can adversely affect performance. Some of these include stock market risk, country risk, currency risk, interest rate risk, purchasing power risk and investment style risk. To take on less (or more) risk, participants can do so by selecting a target choice with a date earlier (or later) than their expected retirement date.

Investment Manager

STRS Ohio

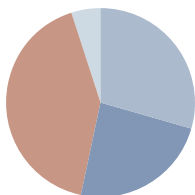
Annual Asset Management Fee

The total annual fee for STRS Target Choice options is 0.10%.

STRS Target Choice 2020

The STRS Target Choice 2020 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2018–2022.

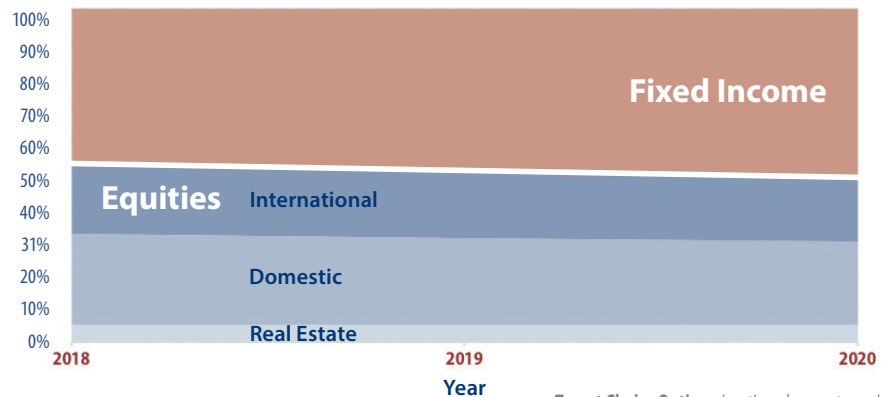
Composition as of July 1, 2018



- 46.0% Fixed Income
- 21.5% International Equities
- 27.5% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2020 Glidepath

This chart indicates how STRS Ohio expects the asset allocations to change over time.



Target Choice Options (continued on next page)

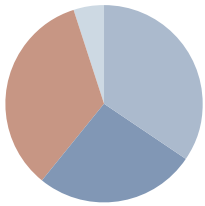
STRS Target Choice Options

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STRS Target Choice 2025

The STRS Target Choice 2025 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2023–2027.

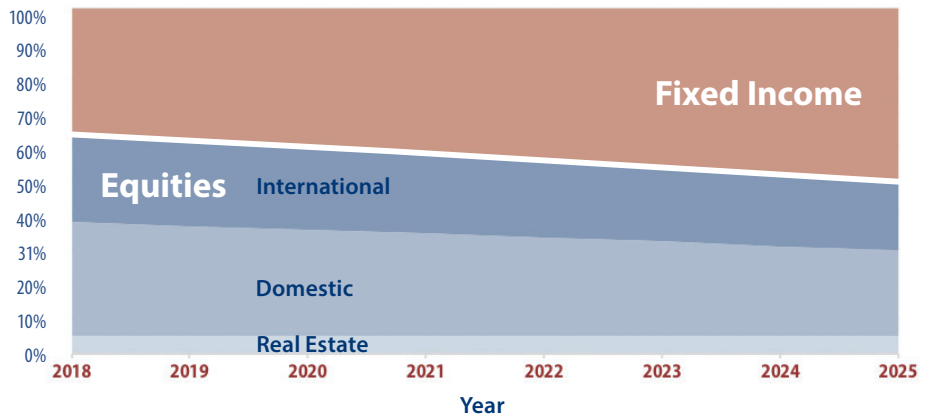
Composition as of July 1, 2018



- 37.0% Fixed Income
- 25.0% International Equities
- 33.0% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2025 Glidepath

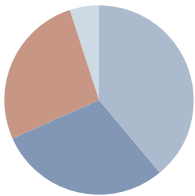
This chart indicates how STRS Ohio expects the asset allocations to change over time.



STRS Target Choice 2030

The STRS Target Choice 2030 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2028–2032.

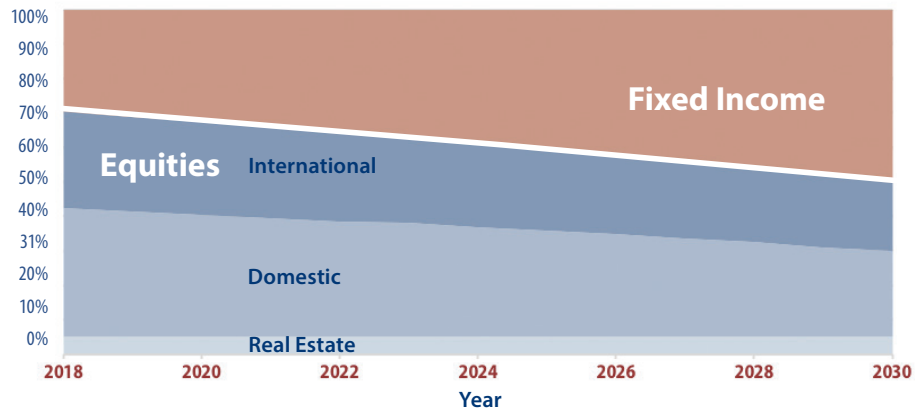
Composition as of July 1, 2018



- 29.5% Fixed Income
- 28.0% International Equities
- 37.5% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2030 Glidepath

This chart indicates how STRS Ohio expects the asset allocations to change over time.



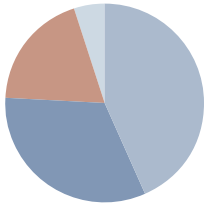
STRS Target Choice Options

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STRS Target Choice 2035

The STRS Target Choice 2035 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2033–2037.

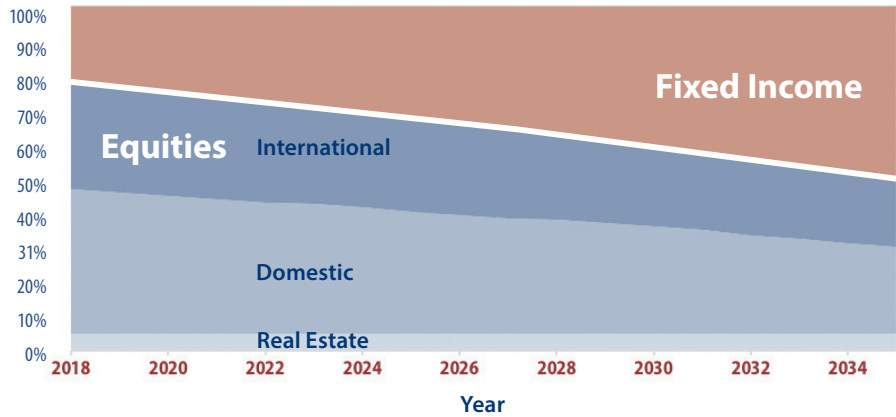
Composition as of July 1, 2018



- 22.0% Fixed Income
- 31.0% International Equities
- 42.0% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2035 Glidepath

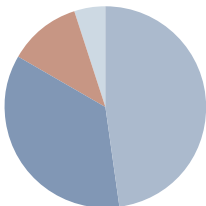
This chart indicates how STRS Ohio expects the asset allocations to change over time.



STRS Target Choice 2040

The STRS Target Choice 2040 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2038–2042.

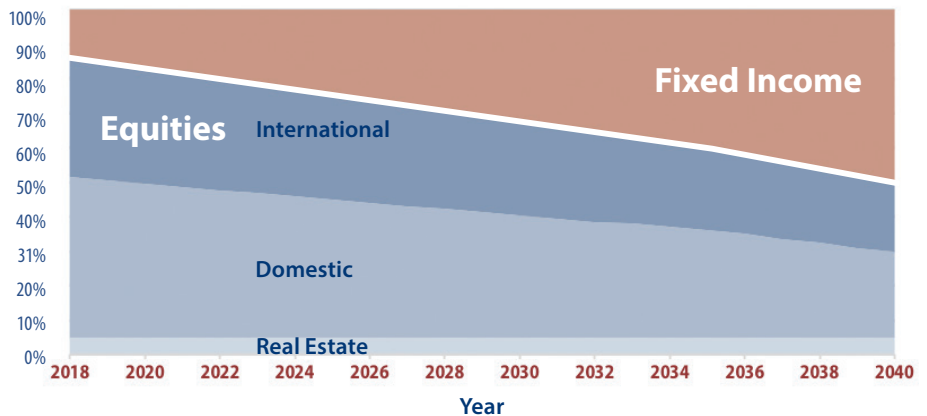
Composition as of July 1, 2018



- 14.5% Fixed Income
- 34.0% International Equities
- 46.5% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2040 Glidepath

This chart indicates how STRS Ohio expects the asset allocations to change over time.



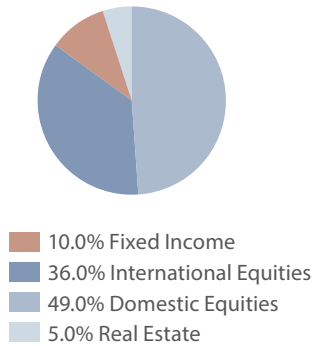
STRS Target Choice Options

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STRS Target Choice 2045

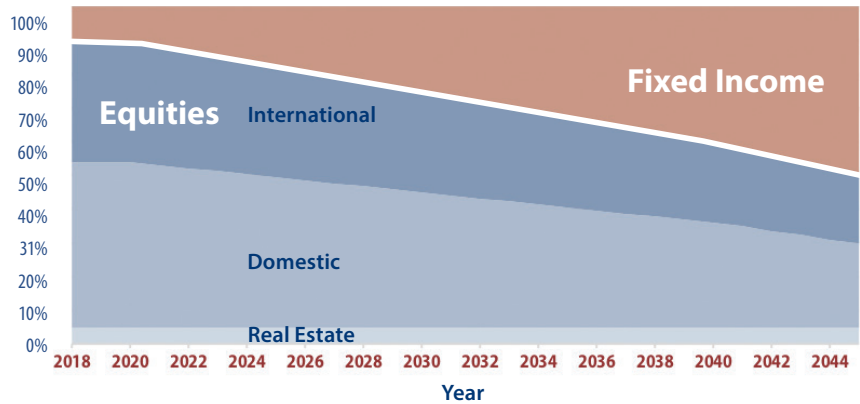
The STRS Target Choice 2045 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2043–2047.

Composition as of July 1, 2018



STRS Target Choice 2045 Glidepath

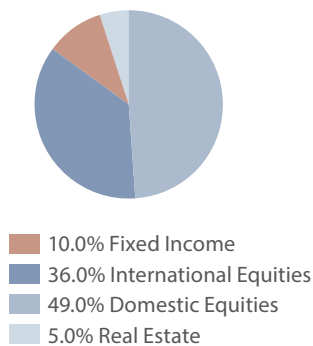
This chart indicates how STRS Ohio expects the asset allocations to change over time.



STRS Target Choice 2050

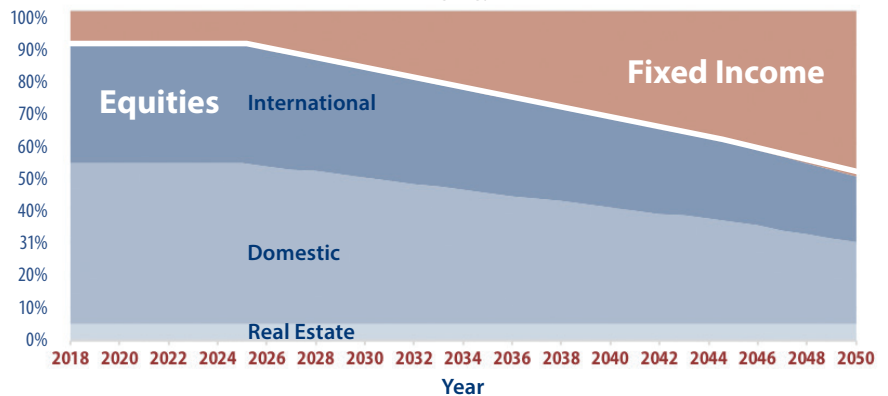
The STRS Target Choice 2050 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2048–2052.

Composition as of July 1, 2018



STRS Target Choice 2050 Glidepath

This chart indicates how STRS Ohio expects the asset allocations to change over time.



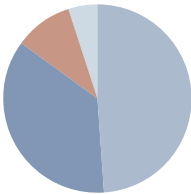
STRS Target Choice Options

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STRS Target Choice 2055

The STRS Target Choice 2055 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2053–2057.

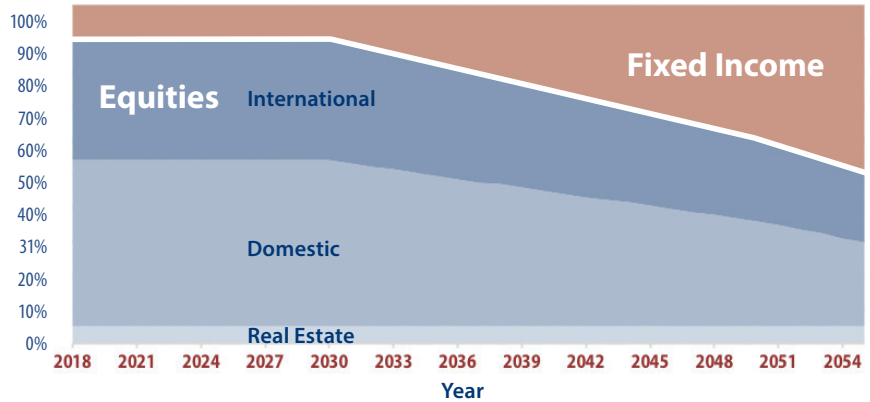
Composition as of July 1, 2018



- 10.0% Fixed Income
- 36.0% International Equities
- 49.0% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2055 Glidepath

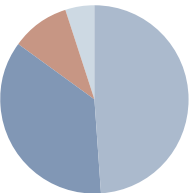
This chart indicates how STRS Ohio expects the asset allocations to change over time.



STRS Target Choice 2060

The STRS Target Choice 2060 is intended to provide a diversified investment that is appropriate for a participant with a projected retirement date of 2058–2062.

Composition as of July 1, 2018



- 10.0% Fixed Income
- 36.0% International Equities
- 49.0% Domestic Equities
- 5.0% Real Estate

STRS Target Choice 2060 Glidepath

This chart indicates how STRS Ohio expects the asset allocations to change over time.

