STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS

MINUTES OF OPEN SESSION MEETING

June 3, 2026

The Board of Directors of the State Compensation Insurance Fund met on June 3, 2026, at the State Fund Pleasanton Office, 5890 Owens Drive (Board Room, 4th floor), Pleasanton, California.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order on June 3, 2026 at 8:05 a.m. Board Chair David Lanier welcomed everyone joining the meeting.

Mr. Lanier requested Ms. Padua to call roll. The following were present: David M. Lanier (Chair); Christy Bouma; Daniel M. Curtin; Regina V. Evans; Senator Michael J. Machado (Ret.); Alexis A. Podesta; Arthur H. Pulaski Thomas E. Rankin; Angela D. Tate; Angela S. Wei; and Jennifer Osborn, Ex-officio.

Absent by prior arrangement: Richard J. Guggenhime

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary Margie R. Lariviere; Chief Financial Officer Ethel Wang; Chief Strategy Officer Alvin Cheung; and Senior Vice President of Executive Operations and Assistant Corporate Secretary Hilda B. Padua.

AGENDA ITEM 2: ANTITRUST ADMONITION

Mr. Lanier called attention to and requested confirmation that the Board members read State Fund's Antitrust Admonition, which is included in each Board member's meeting materials.

AGENDA ITEM 3: CONSENT CALENDAR

a. Approval of March 4-5, 2026 Open Meeting Minutes
b. Board Member Educational Opportunities and Approval of Planned Board Member Education and Expense Reimbursement
c. Annual Review and Approval of State Fund By-Laws
d. Annual Review and Approval of Committee Charters
e. Annual Review and Approval of Board Member Education and Travel Expense Reimbursement Policy
f. Annual Review and Approval of Board Delegated Authority and Approval Level
g. Annual Review and Approval of Audit Activity Charter and Compliance with Global Internal Audit Standards
h. Ratification of President's Employment Agreement
i. Approval of Retirement Resolutions

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j. Approval of Investment Policy Resolution No. 2622
k. Approval of Investment Guidelines and Procedures Resolution No. 2623

Mr. Lanier pulled out from the Consent calendar agenda item 3j “Approval of Investment Policy Resolution No. 2622 and item 3k “Approval of Investment Guidelines and Procedures Resolution No. 2623”. Mr. Lanier noted that the Investment and Risk Committee deferred approval to the August 2026 meeting.

Mr. Lanier asked whether any Board member had other comments on the items on the Consent Calendar, of which there were none.

Mr. Lanier called for a Motion.

MOTION: Mr. Pulaski SECOND: Mr. Rankin

To approve the Consent Calendar as presented.

Mr. Lanier requested public comments, of which there was none. Mr. Lanier called for the vote.

YES: 10 NO: 0 Abstain: 0 Motion carried.

AGENDA ITEM 4: STATEMENT OF ACTUARIAL OPINION

Mr. Lanier noted that the item was read-only, unless there are questions, and asked Mr. DiMatteo if there were any updates.

Mr. DiMatteo stated that the report reviews the Loss and Loss Adjustment Expense Reserves as of December 31, 2025. He summarized the quarterly reserve studies, the year-end statutory opinion process, and the State Fund’s booked reserves, emphasizing compliance with California laws and actuarial standards. He added that the reserves remain consistently strong.

AGENDA ITEM 5: STAFFING UPDATE

Mr. Lanier noted that this item is “Read only, unless there are questions”. He asked Executive Vice President and Chief Administrative Officer Andreas Acker if there was any new information from the time the report was published.

Mr. Acker discussed the staffing update, reporting 66 separations through the end of April, including 16 resignations, 3 transfers to other state agencies, 39 retirements, and 8 other separations. He emphasized that retirements continue to drive separations, a trend consistent with the past ten years.

Mr. Lanier requested public comment, of which there was none.

AGENDA ITEM 6: FINANCIAL AND PRESIDENT’S REPORT: 1Q 2026

Mr. Lanier noted that the item was for “Read only, unless there are questions“ and asked President and CEO Vernon Steiner whether there were any updates.

Mr. Steiner reported that investment income increased as a result of last year's bond portfolio swap, which is now producing returns. He stated that the organization experienced first-quarter growth driven by market conditions and internal initiatives. He noted that although the market remains competitive, it is less so than in the past decade, coinciding with the rollout of the Pricing 2.0 model, which is performing as intended and creating new opportunities for the organization.

AGENDA ITEM 7: REPORTS BY THE CHAIRS OF COMMITTEE ACTIVITIES

7a: GOVERNANCE COMMITTEE

Governance Chair Mr. Rankin reported that the Governance Committee met in-person on June 2, 2026. During the Open Session under Consent Calendar, the Committee reviewed and approved the following: March 4, 2026 Open Meeting Minutes; Board Member Upcoming Speeches, Articles or Webinars; State Fund By-Laws; Committee Charters; Board Member Education and Travel Expense Reimbursement Policy; Board Delegated Authority and Approval Level; Internal Audit Activity Charter and Compliance with Global Internal Audit Standards.

In addition, under Governance, Compliance, and Privacy update, Mr. Rankin noted that the report included in the Boardbook for this agenda item is the same information as that provided to the Governance Committee. Mr. Rankin highlighted the following:

1. **Corporate Policy Updates:** Material changes were made to corporate policies, specifically purchasing authority and vendor risk management program policies, as noted in the published report.

2. **Training and Compliance Rates:** The 2026 Code of Conduct training compliance rate was reported at 100% for both employees and contingent workers, and the 2025 Statement of Economic Interest Form 700 compliance rate was also 100% for employees, board members, and contingent workers.

3. **Website Privacy Policy Review:** The Privacy Office, in collaboration with corporate legal, conducted a periodic review of the web privacy notice on the public-facing website, finding no substantive changes in the types of information collected.

4. **Quarterly Ethics Reporting –** Total ethics reports increased by 83, from 6 in Q4 2025 to 11 in Q1 2026%. All reporting for Q1 2025 fell into the HR, Diversity, Workplace Respect and Business Integrity category.

5. **2026 Q1 Bureau of Economic Analysis BE-125 Submission -** State Fund's total purchases for intellectual property or selected services for Q1 was $7.2M from suppliers whose parent companies are located outside the United States. State Fund submitted the Q1 BE-125 report electronically to the Bureau of Economic Analysis on April 30, 2026.

During the Closed session, the Committee heard a report on plans for the Board Member strategic meeting in August.

7b: AUDIT COMMITTEE

Audit Chair Ms. Tate reported that the Audit Committee met in-person on June 2, 2026. During the Open Session, the Committee reviewed and approved under the Consent calendar the following items: March 3, 2026 Open Meeting Minutes; Audit Committee Charter, and Internal Audit Activity Charter and Compliance with Global Internal Audit Standards.

Under Completed Closed Audits, the Internal Audit Department reported on 12 completed projects during 4Q 2025 that were reported during the March 2026 Audit Committee closed session. All the completed project reports were deemed to be proprietary and are not being reported during open session.

Under the Whistleblower Hotline, Ms. Tate reported that Human Resources and Internal Affairs investigate many of the matters referred through the internal Ethics Hotline, California Whistleblower Hotline, directly to Human Resources and our Case Management System. For the 1Q 2026, there were 11 new allegations received, 7 of which are still in progress. In addition, 5 investigations from prior quarters were closed.

During the Closed session, the Committee heard a report from staff on Personnel Investigations, report from external auditors, and Internal Audit report for 1Q 2026.

7c: INVESTMENT AND RISK COMMITTEE

Senator Machado reported that the Investment and Risk Committee met in-person on June 2, 2026. During the Open Session, the Committee reviewed and approved under the Consent calendar the following items: March 3, 2026 Open Meeting Minutes and Investment transactions and compliance reports for the period of January 1, 2026 to March 31, 2026, pursuant to its delegated authority; and Investment and Risk Committee Charter The approval of Investment Policy Resolution No. 2622 and Investment Guidelines and Procedures Resolution No. 2623 were deferred to the August 2026 meeting.

During the Closed session, the Investment and Risk Committee heard a report from New England Asset Management investment managers; staff on portfolio performance; investment managers, performance, services, and results; update on ESG strategy; update on Enterprise Risk Management program; and update on State Fund's Information Security Program.

AGENDA ITEM 8: CHAIRPERSON'S REPORT

Mr. Lanier noted that he has nothing to report.

AGENDA ITEM 9: BOARD MEMBER REPORTS

Mr. Lanier asked if there were any Board member reports, of which there were none.

AGENDA ITEM 10: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 13 THROUGH 24

Mr. Lanier requested public comments on the appropriateness of Closed session agenda items 13 through 24, of which there was none.

AGENDA ITEM 11: PUBLIC COMMENT

Mr. Lanier requested other public comment, of which there was none.

ADJOURNMENT

There being no further business, Mr. Lanier adjourned the meeting at 8:12 a.m. to immediately reconvene in Closed session.

AGENDA ITEM 25: CALL TO ORDER AND ROLL CALL

The Open Session meeting was reconvened on June 3, 2026 at 1:56 p.m., following the conclusion of the Closed session. The following Members were present: David M. Lanier (Chair); Christy Bouma; Regina V. Evans; Senator Michael J. Machado (Ret.); Alexis A. Podesta; Arthur H. Pulaski; Thomas Rankin; Angela D. Tate; Angela S. Wei and Jennifer Osborn (Ex-officio).

Absent by prior arrangement: Daniel M. Curtin; and Richard J. Guggenhime.

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary Margie R. Lariviere; and Senior Vice President of Executive Operations and Assistant Corporate Secretary Hilda B. Padua.

AGENDA ITEM 26: APPROVAL OF INCREASED COMPENSATIO FOR EXECUTIVE VICE PRESIDENT OF CORPORATE CLAIMS

The Board approved the increased compensation for Executive Vice President of Corporate Claims, Carla Anene effective August 1, 2026.

Mr. Lanier noted that Resolution No. 2637 was displayed on the screen for public viewing.

Mr. Lanier requested a Motion and Second.

MOTION: Mr. Rankin SECOND: Ms. Wei

To approve increased compensation for Executive Vice President of Corporate Claims, Resolution No. 2637, as presented.

Mr. Lanier asked for public comment, of which there was none. Mr. Lanier called for the vote.

YES: 9 NO: 0 Abstain: 0 Resolution carried.

The certified Resolution No. 2637 is attached hereto.

AGENDA ITEM 27: PROPOSALS AND SUGGESTIONS FOR AUGUST 2026 AGENDA

Mr. Lanier requested suggestions for agenda items for the August 2026 Board meeting. Ms. Padua noted that all agenda items identified were for Closed session.

Mr. Lanier requested public comment, of which there was none. He noted that the next Board meeting is scheduled for August 24-28, 2026, location to be determined, unless noticed for a new date and time.

ADJOURNMENT

Mr. Lanier adjourned the meeting at 1:58 p.m.

Respectfully submitted,

Hilda B. Padua
Senior Vice President of Executive Operations and Assistant Corporate Secretary