KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

GENERAL SESSION AGENDA
BOARD OF COMMISSIONERS' REGULAR MEETING
WEDNESDAY, NOVEMBER 18, 2026, 10:00 A.M.

1. PRESENTATIONS
   A. STATE OF THE SYSTEM REPORT BY THE NEW YORK COMPENSATION INSURANCE RATING BOARD FROM PRESIDENT OF NYCIRB JEREMY ATTIE

2. STANDING REPORT(S)
   A. REPORT OF EXECUTIVE DIRECTOR & CEO GAURAV VASISHT
   B. REPORT OF ACTING GENERAL ATTORNEY TIFFANY GORDON

3. REPORT OF BOARD STANDING COMMITTEE(S)
   A. BUDGET & AUDIT COMMITTEE: CHAIR ALEXIS THOMAS
      1) 2026 3RD QUARTER FINANCIAL REPORT
      2) RESOLUTION: 2027 WORKERS' COMPENSATION FUND ADMINISTRATIVE BUDGET
      3) RESOLUTION: 2027 DISABILITY BENEFITS FUND ADMINISTRATIVE BUDGET
   B. INVESTMENT COMMITTEE: CHAIRMAN KENNETH THEOBALDS
      1) RESOLUTION: INVESTMENT POLICY STATEMENT
      2) RESOLUTION: AUTHORITY TO TRADE

4. CONSENT AGENDA
   A. TO ACCEPT THE PROPOSED MINUTES OF THE OCTOBER 21, 2026 BOARD MEETING
   B. TO ACCEPT THE WRITTEN REPORTS AS SUBMITTED

5. EXECUTIVE SESSION (IF NECESSARY)

6. ADJOURN

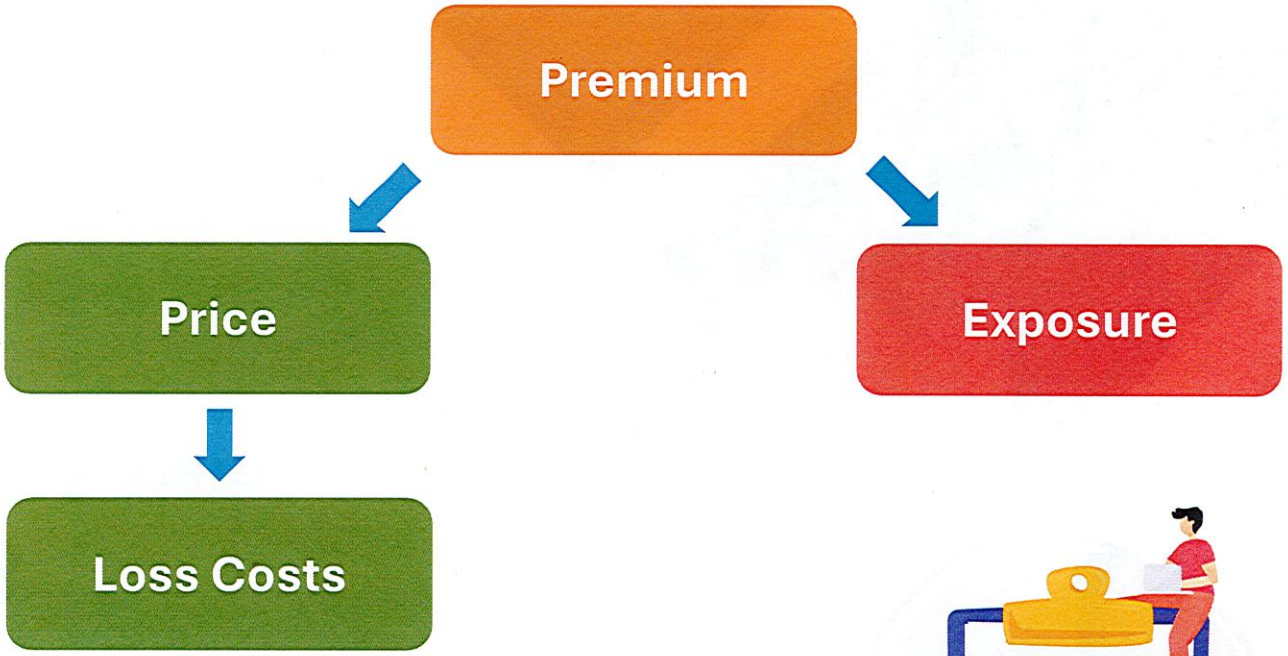
NYCIRB

State of the System

September 2026



Components of the Premium Calculation

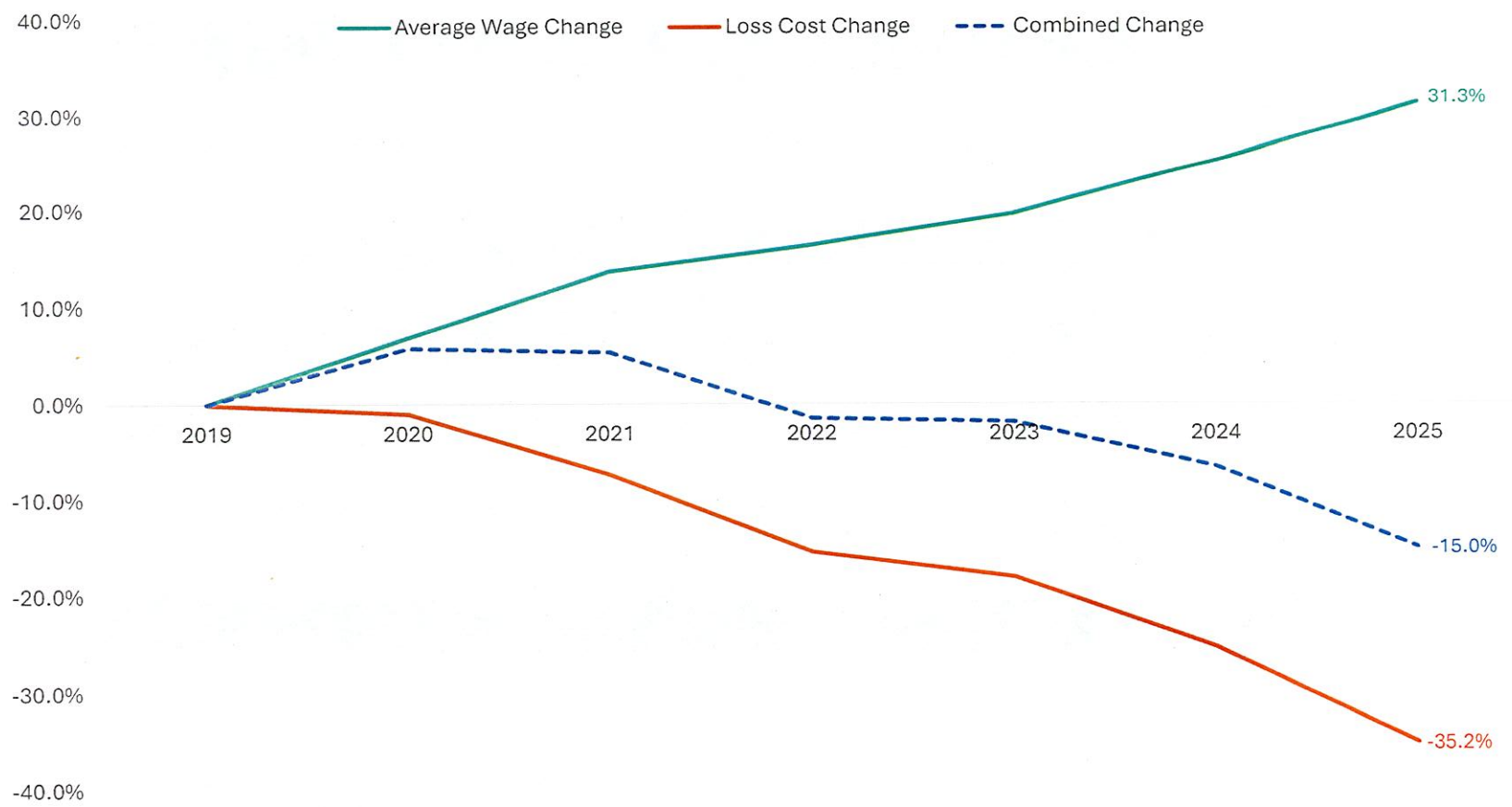




Slide #3 - State of the System 2026

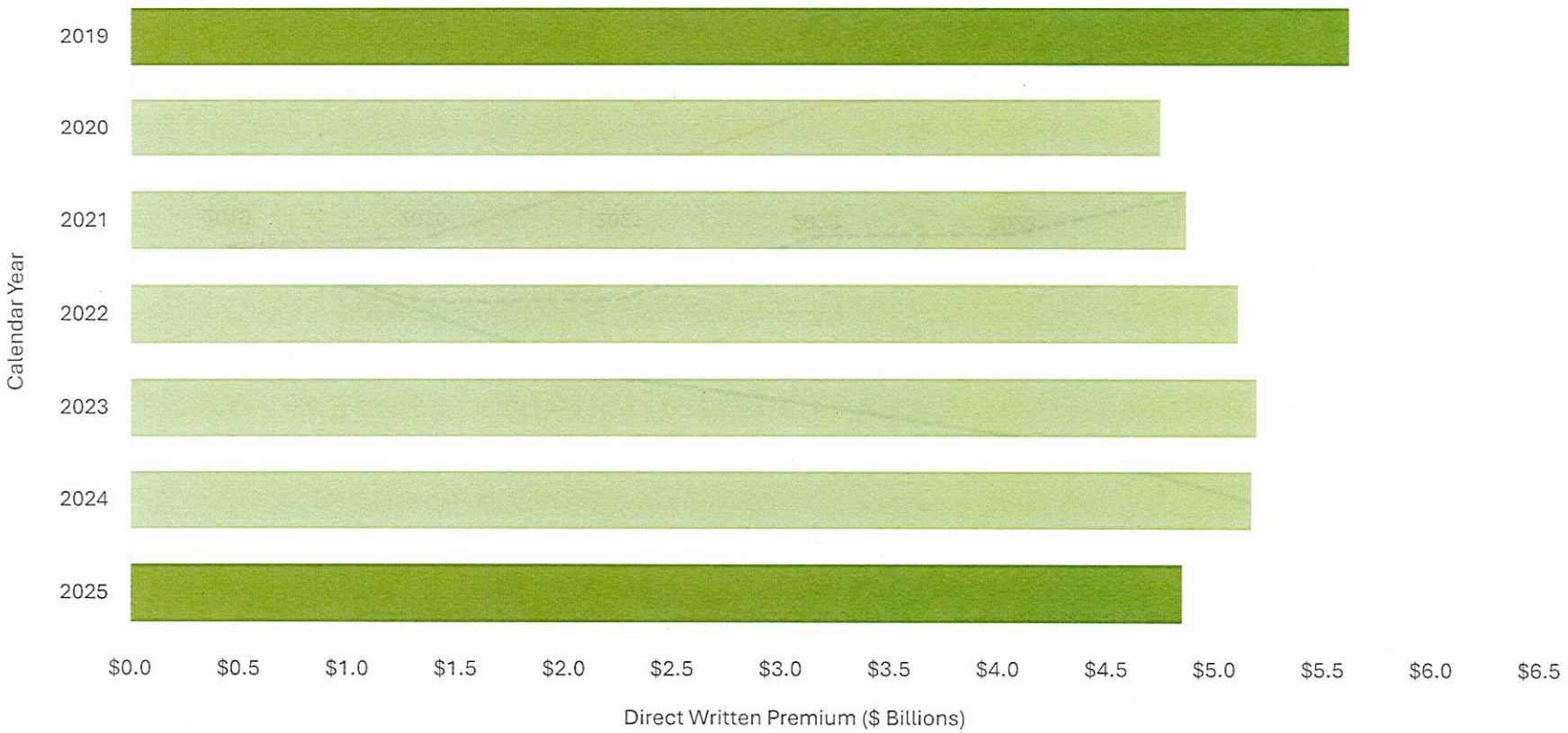
Loss Costs vs. Wages

Comparison to 2019



Slide #4 - State of the System 2026

New York Direct Written Premium ($ Billions)



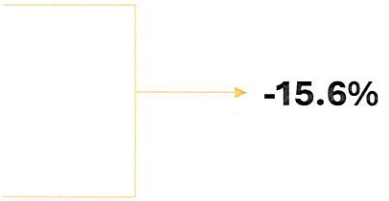
Frequency Definition

$$\text{Frequency Per Premium} = \frac{\text{Number of Lost-time Claims}}{\text{Annual Premium}}$$

Slide #6 - State of the System 2026

Ultimate Lost Time Claim Counts

Accident Year	Total



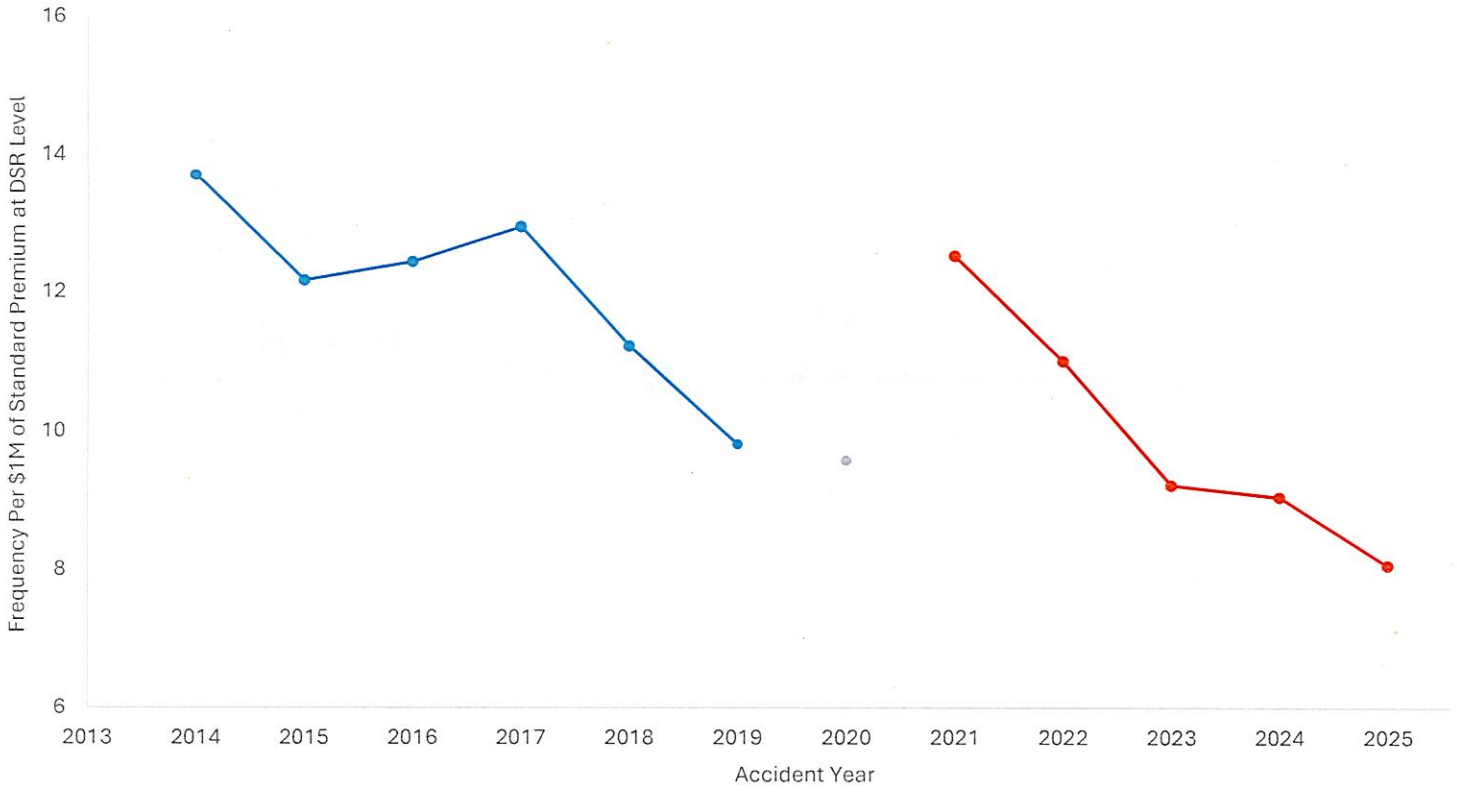
Slide #7 - State of the System 2026

Frequency Definition

Frequency Per Premium = Number of Lost-time Claims / Annual Premium

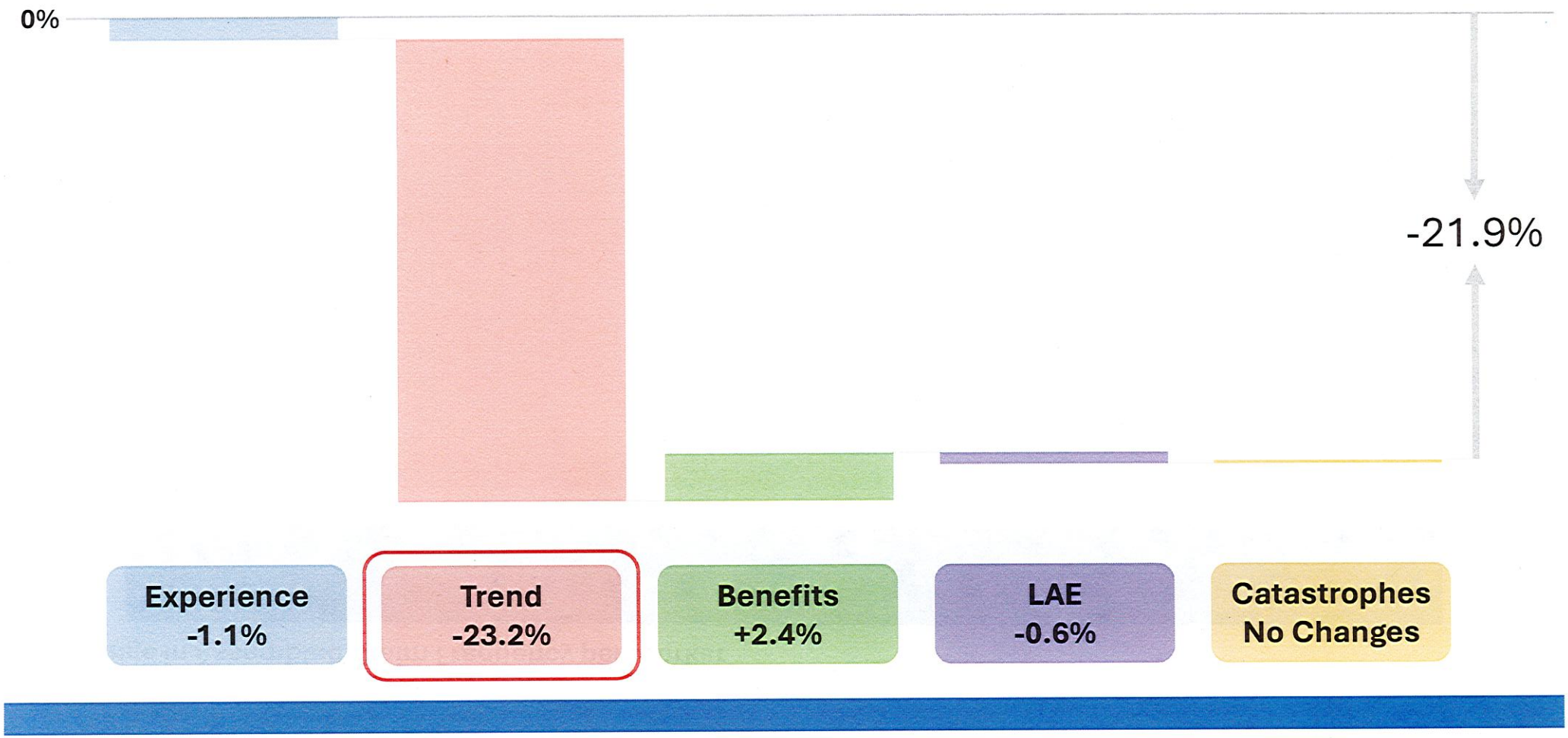
Slide #8 - State of the System 2026

Accident Year Frequency Trend – All Carriers Including Large Deductible



Slide #9 - State of the System 2026

Indication of -21.9% by Component



Slide #10 - State of the System 2026

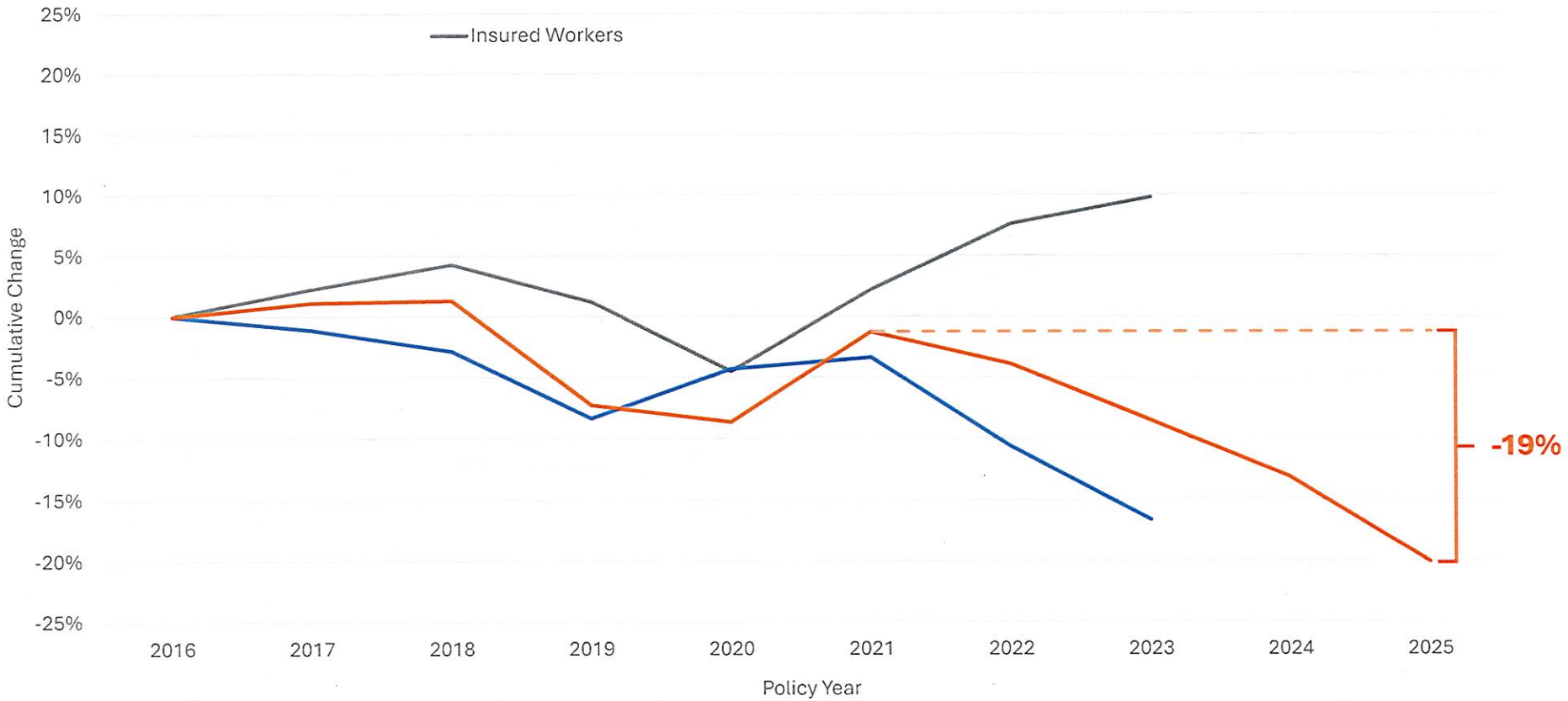
Change in Assembled Claim Frequency per Worker

Industry Sector	% Share of Employment 2025	% Change in Employment 2019 - 2025	% Change in Claim Frequency 2019 - 2025
Total	100%	1.1%	-12.8%

Source: Quarterly Workforce Indicator, WCB Open Data

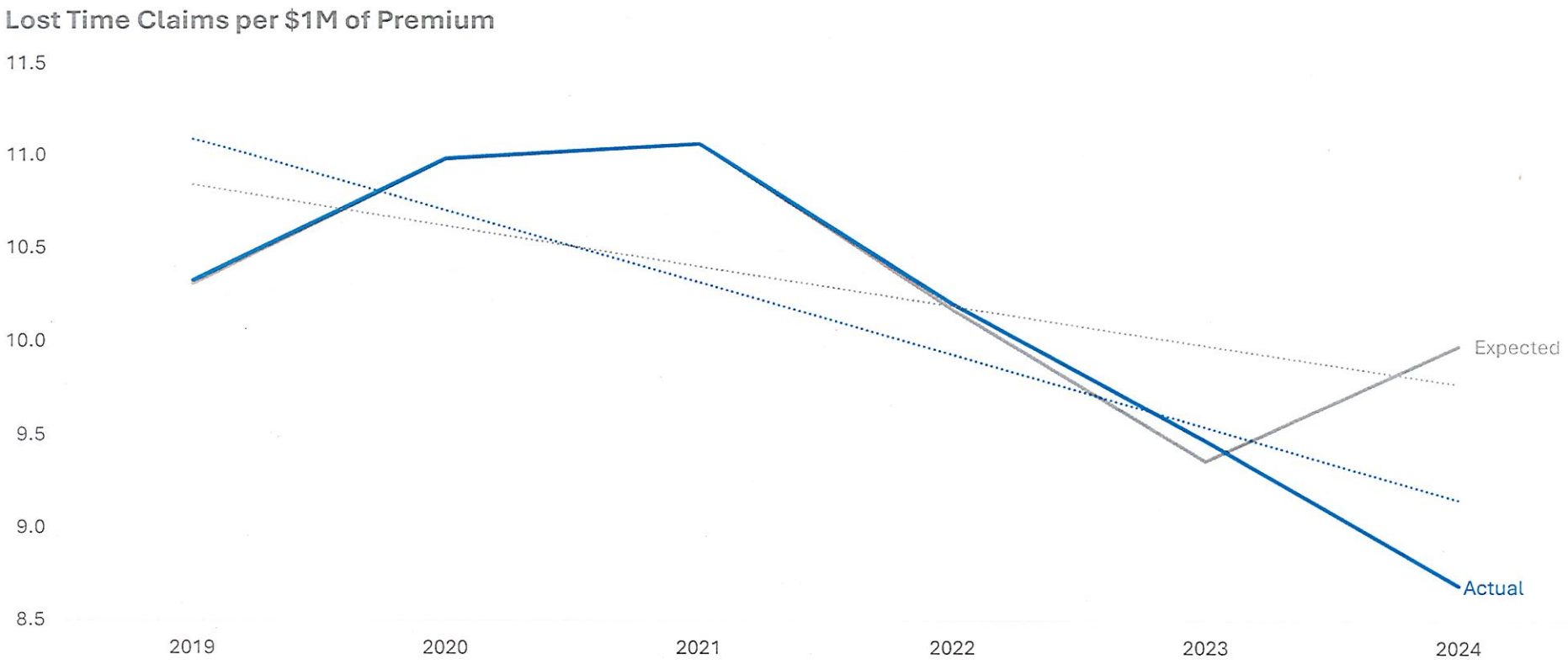
Slide #11 - State of the System 2026

Lost Time Claim Frequency per 100,000 Workers



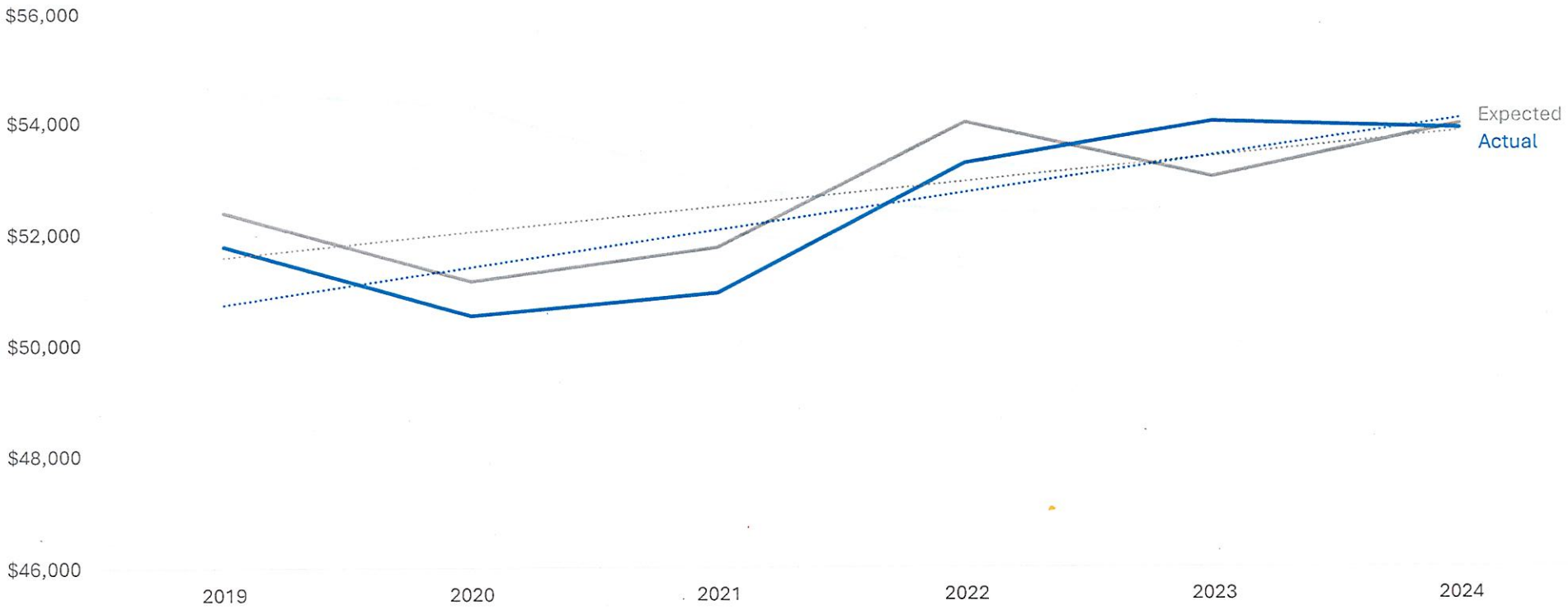
Slide #12 - State of the System 2026

Claim Frequency: Actual vs. Expected (Policy Year)



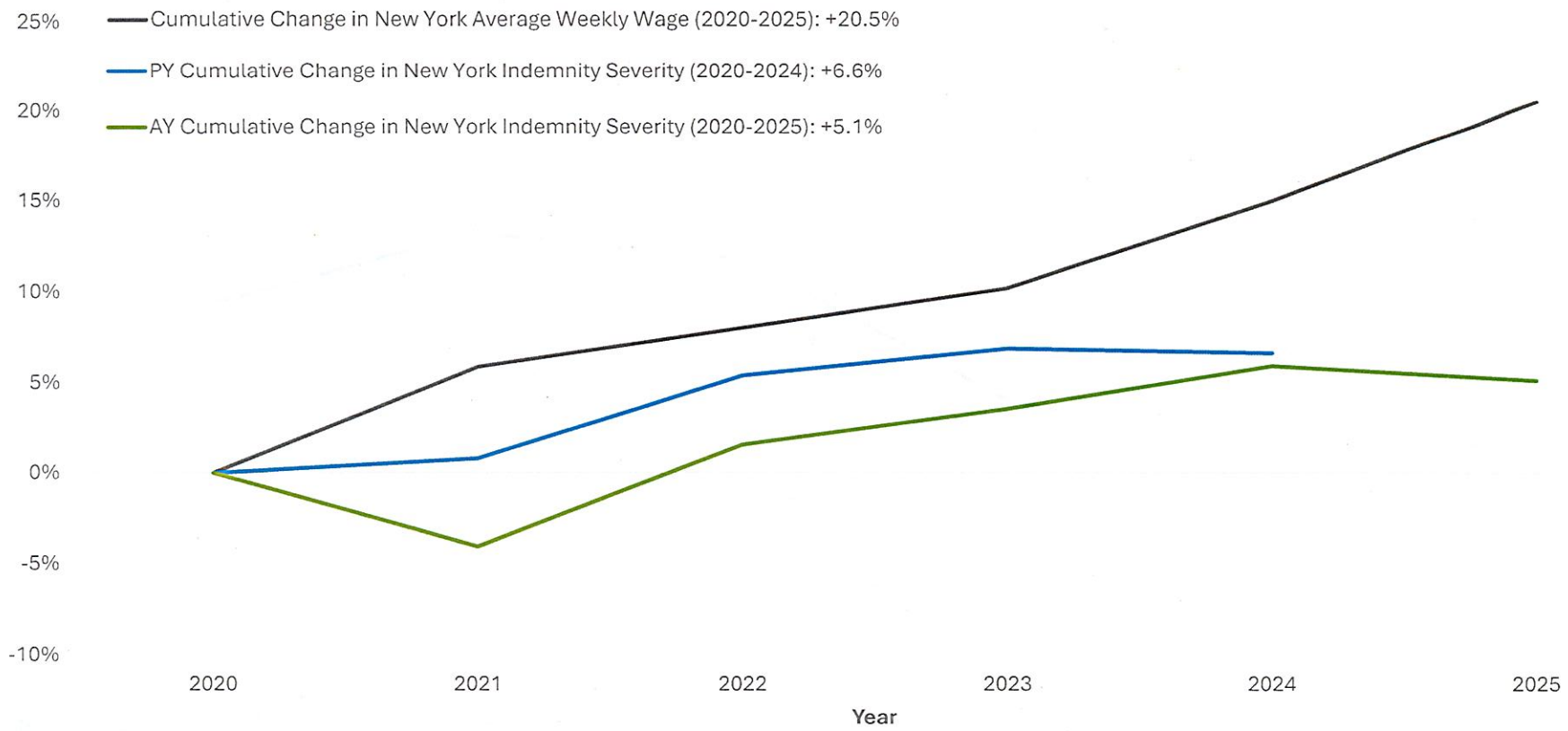
Slide #13 - State of the System 2026

Indemnity Severity: Actual vs. Expected (Policy Year)



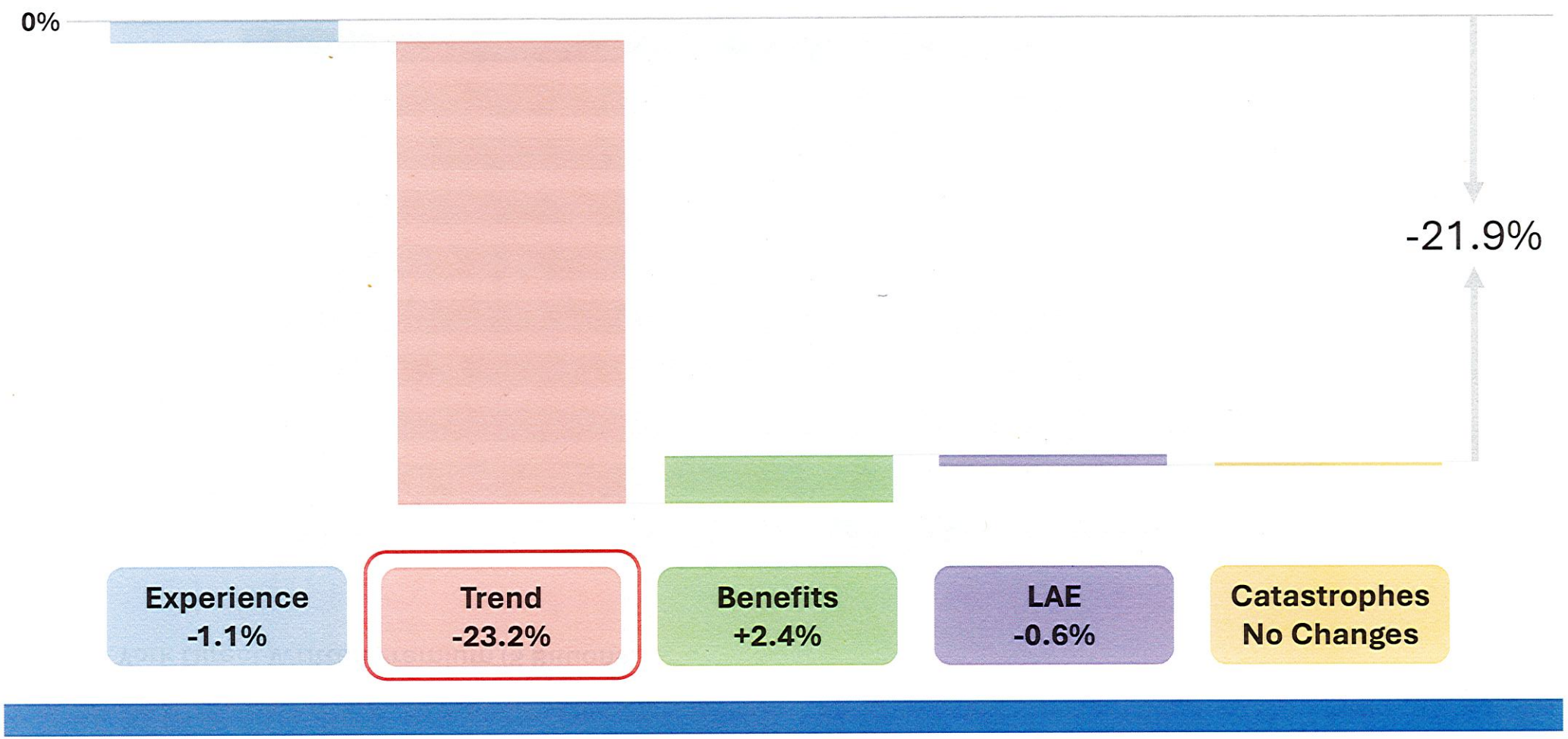
Slide #14 - State of the System 2026

Indemnity Severity vs. Average Weekly Wage



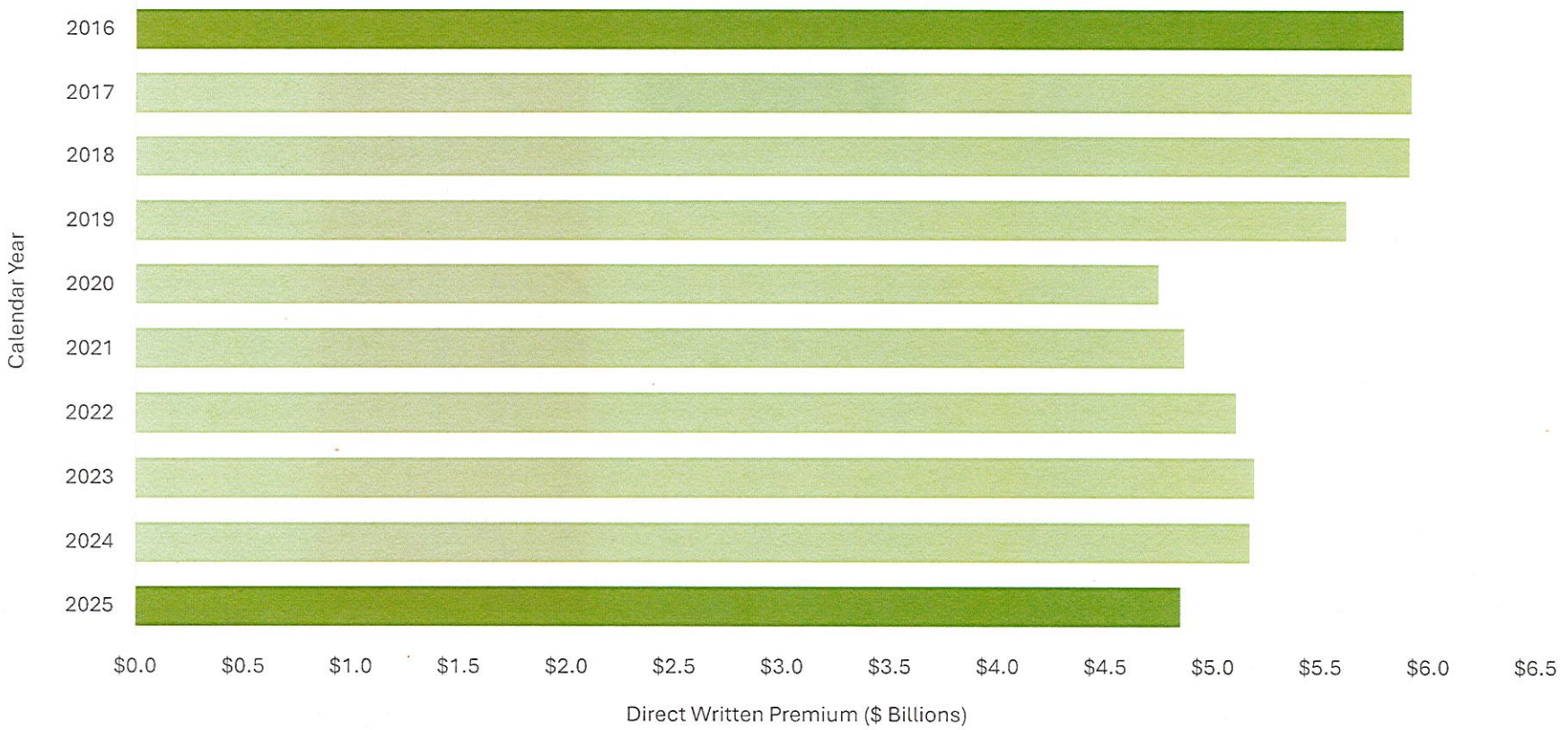
Slide #15 - State of the System 2026

Indication of -21.9% by Component



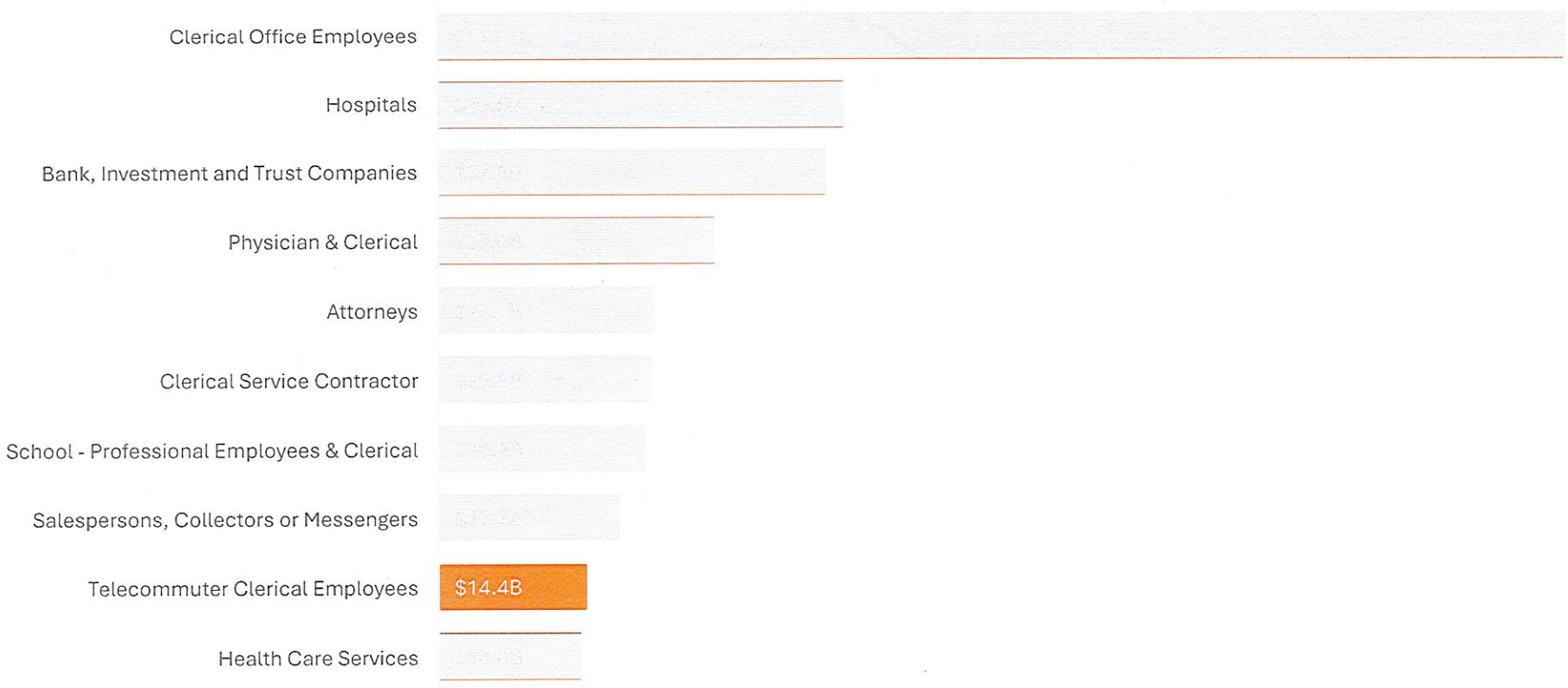
Slide #16 - State of the System 2026

New York Direct Written Premium ($ Billions)



Slide #17 - State of the System 2026

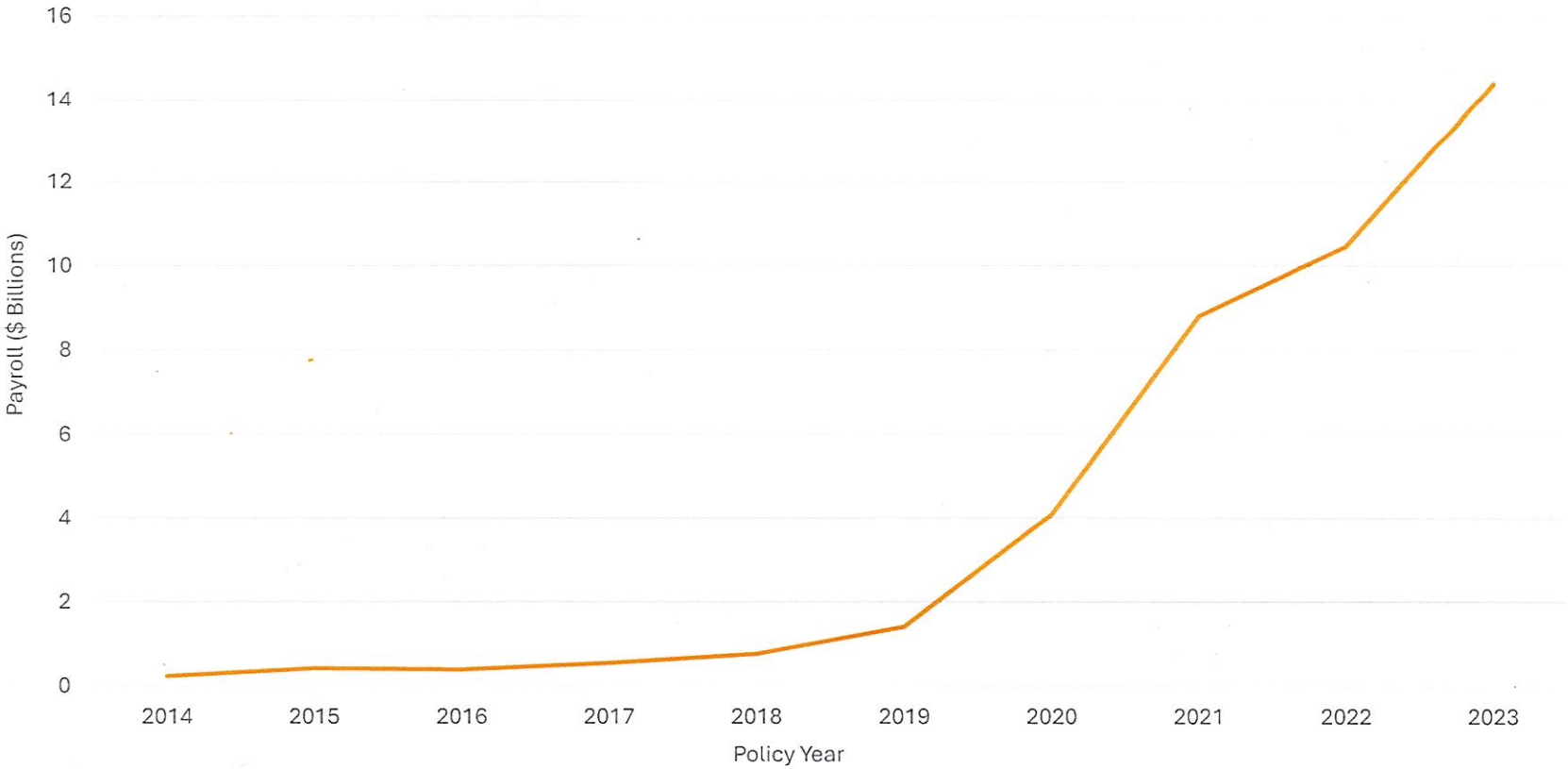
Top Ten Classifications by Payroll



Slide #18 - State of the System 2026

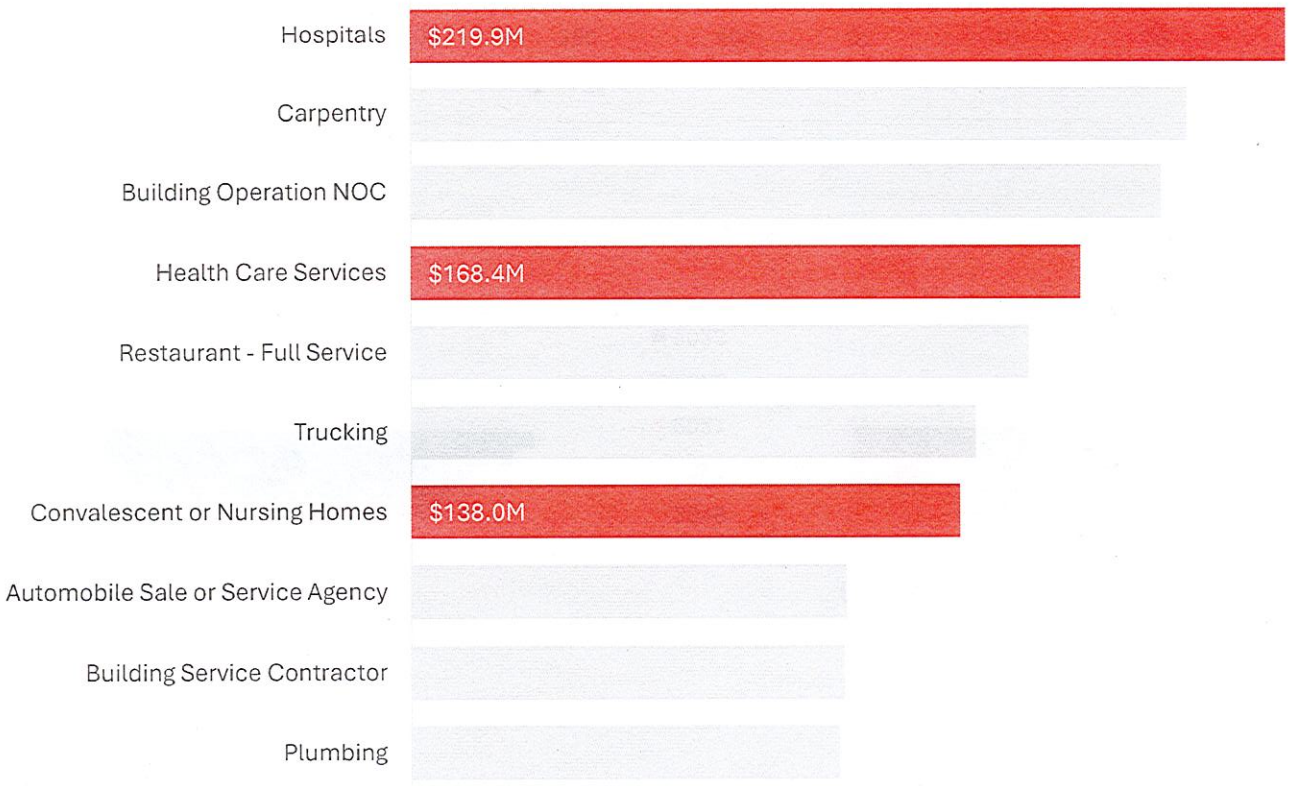
Telecommuter Clerical Employees

Payroll History



Slide #19 - State of the System 2026

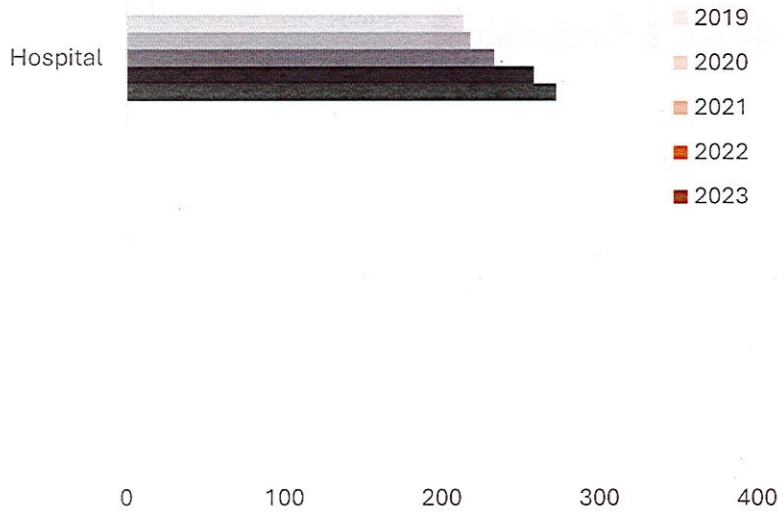
Top Ten Classifications by Standard Premium



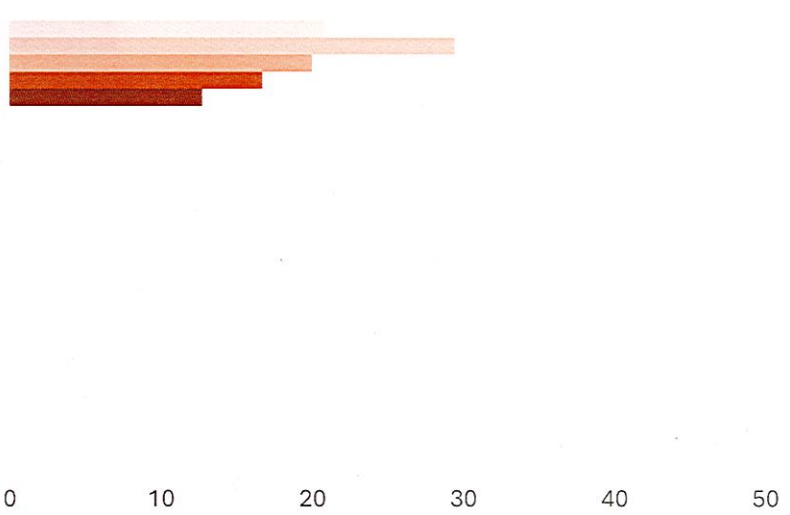
Slide #20 - State of the System 2026

In Focus: Healthcare Classification

Payroll in $100M

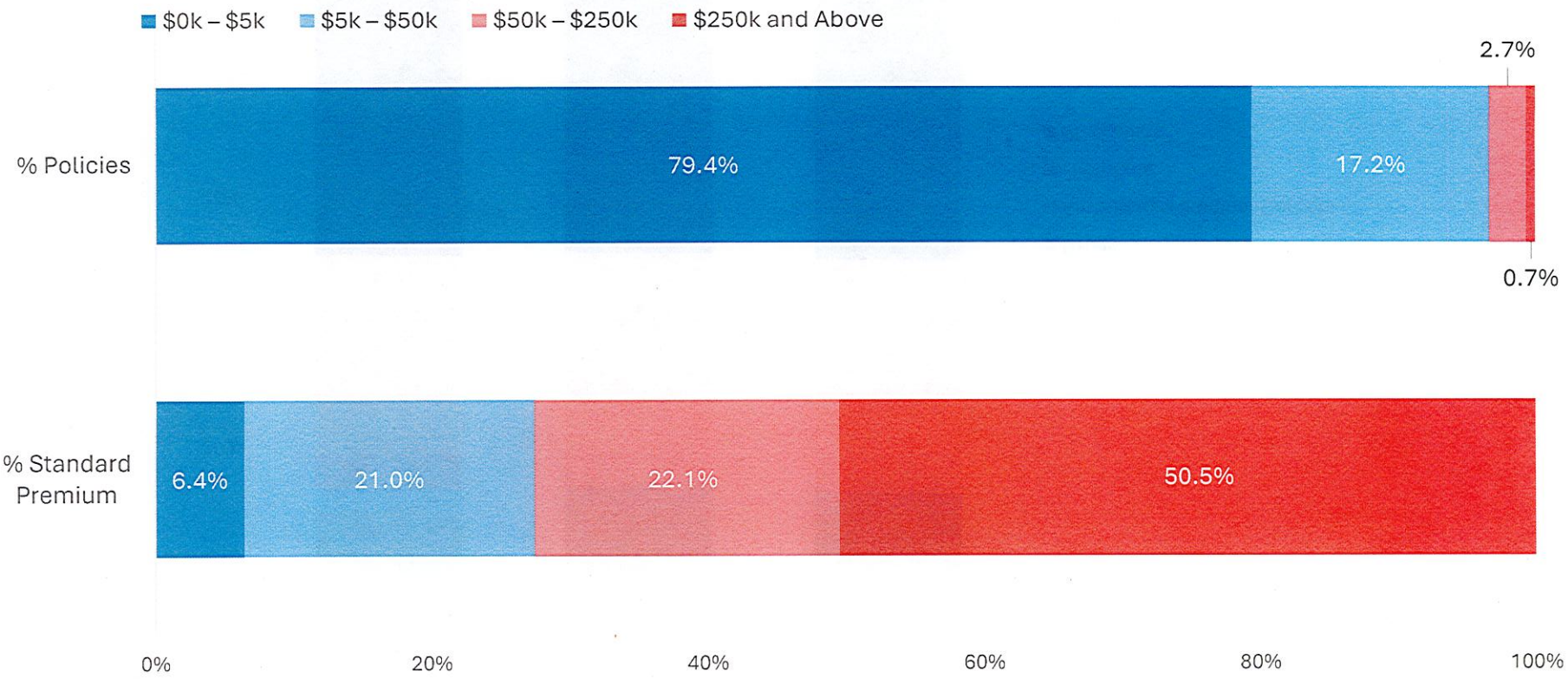


Claim Frequency per $1M in Premium



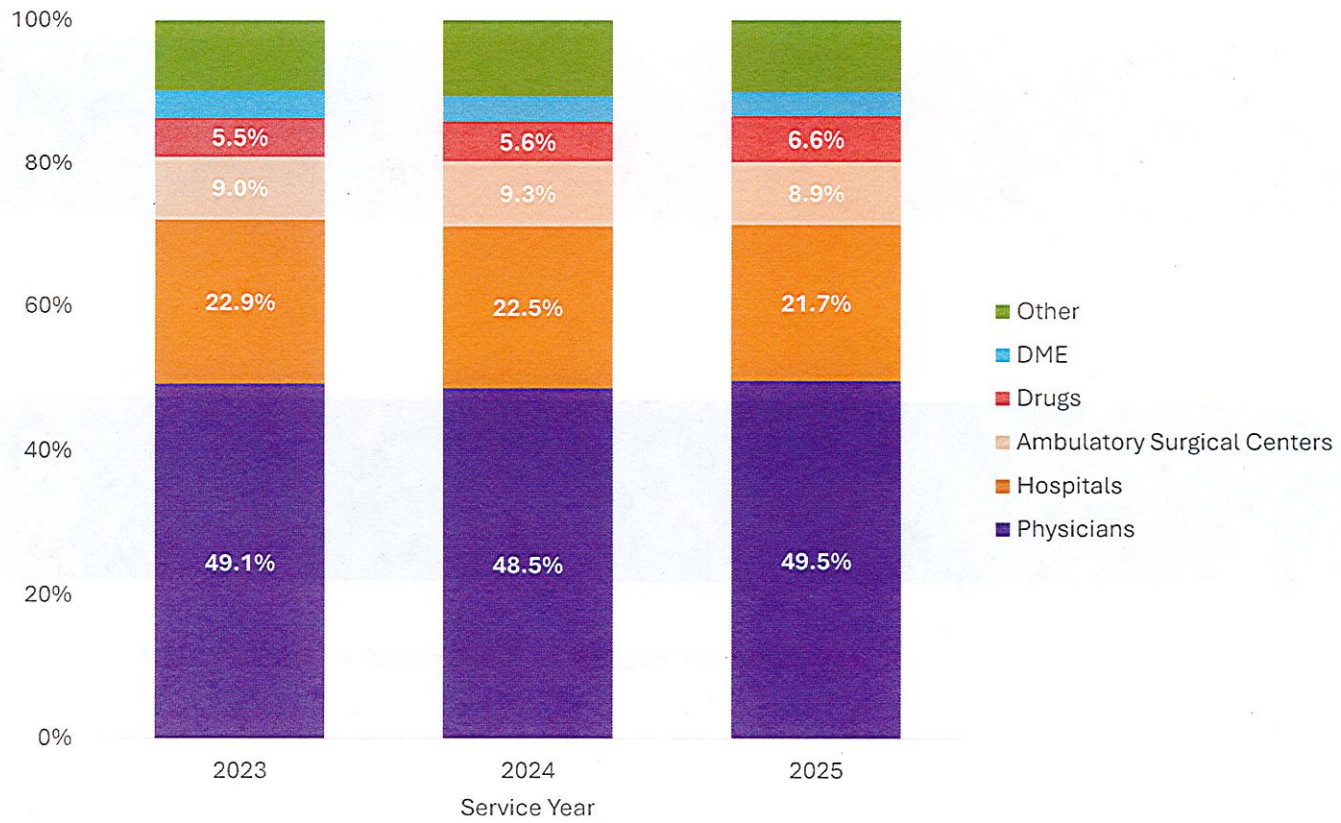
Slide #21 - State of the System 2026

Distribution by Premium Size



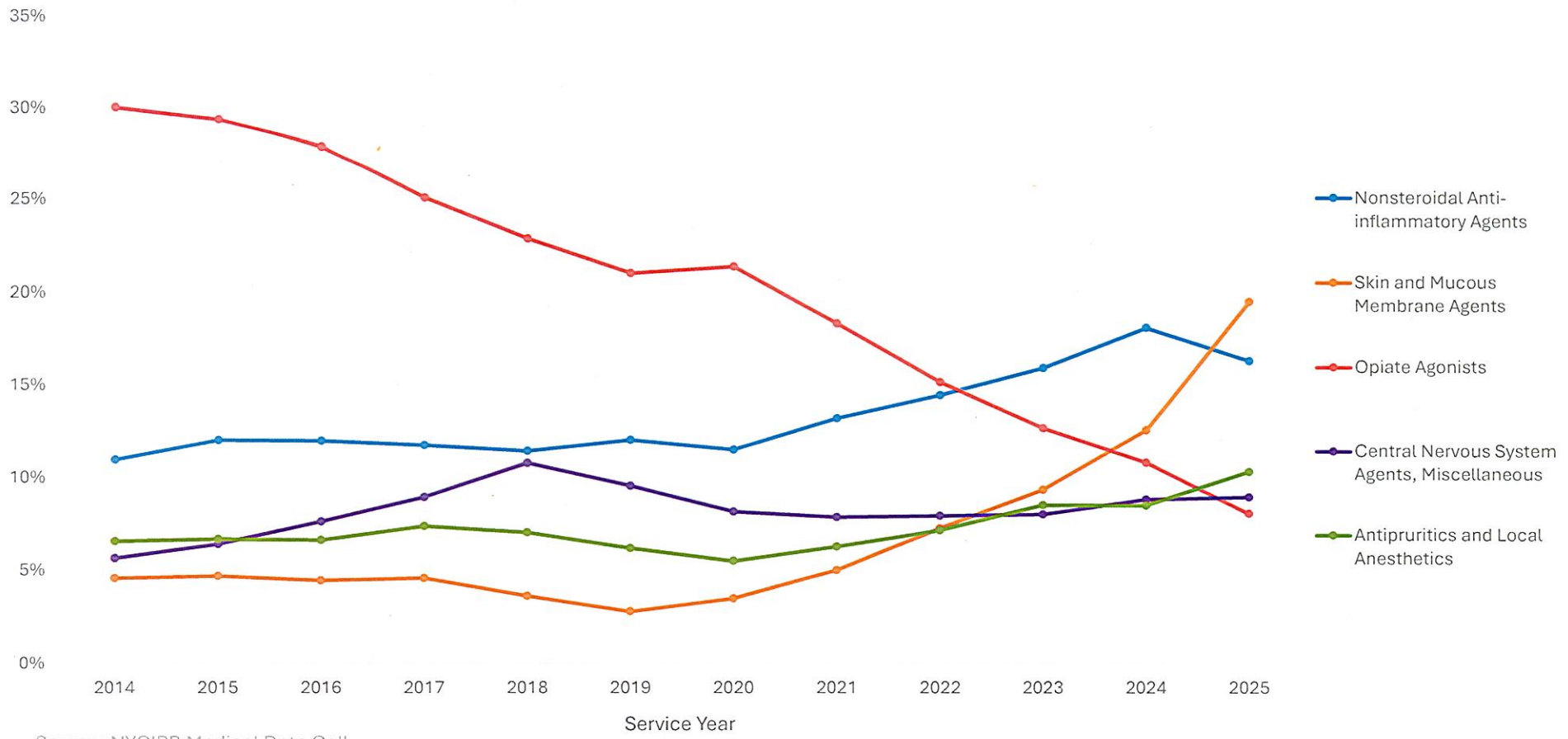
Slide #22 - State of the System 2026

Distribution by Medical Category is Stable



Slide #23 - State of the System 2026

Share of Drug Payments for Major Drug Categories



Source: NYCIRB Medical Data Call

NYSIF

BOARD OF COMMISSIONERS

Q3 2026 Results

November 2026

Workers' Compensation Fund

Q3 2026 Results

Preliminary & Unaudited

NYSIF

Workers' Compensation Fund
Q3 2026 Overview – Statutory Basis

- **Earned premium decreased $59 million or 4.6% compared to 2025**
  - 2026 premium decrease is primarily due to a 13.2% decrease in loss costs effective October 1, 2025. This reduction is partially offset by audit premium and payroll increases. The loss cost decrease effective October 1, 2026, is 21.9%.

- **The combined ratio with dividends decreased 23.6 points compared to 2025**
  - Incurred loss and loss adjustment expenses decreased $262 million, primarily due to prior year actuarial reserve adjustments. The following table summarizes the impact of these actuarial adjustments:

	Losses & LAE Incurred		Loss & LAE Ratio	
	2025	2026	2025	2026
Prior Accident Years	$ (304)	$ (500)	-24.2%	-41.8%
Current Accident Year	1,278	1,212	101.6%	101.1%
	$ 974	$ 712	77.4%	59.3%

  - The premium deficiency reserve, initially established in 2025 for $34.4 million, declined $10.3 million due to a lower current accident year loss ratio for 2026 relative to 2025.

  - Dividends paid YTD were $152 million in 2025 and $148 million in 2026.

NYSIF

Workers' Compensation Fund
Q3 2026 Overview – Statutory Basis (continued)

- **Net investment income ratio (before realized gains) increased 6.2 points compared to 2025**
  - The increase was mainly due to increased new money rates and investment balances, and the denominator effect of reduced premiums.

- **Bad Debt Expense increased to $142 million from $117 million in 2025**
  - The bad debt expense includes charge-offs and allowance changes and reflects increased accounts receivable balances.

- **Realized Gains were $285 million, up from $33 million in 2025**
  - This is mainly due to $309 million of realized gains on sales of common stock, triggered by certain movement amongst portfolio managers, offset by an impairment loss of $15 million and a realized loss of $9 million on bonds.

- **Net income year-to-date was $1.013 billion, reflecting an increase of $556 million compared to 2025**
  - The increase from 2025 is primarily the result of changes in loss reserve estimates of $262 million, reductions in the premium deficiency reserve of $44 million, and a $252 million increase in realized net investment gains.

NYSIF

Workers' Compensation Fund
Statutory Basis Results

($ in millions)

Preliminary and unaudited

	3rd Quarter		
	YTD 2025	YTD 2026	Change (%, $, or pts)
Net Written Premium	$1,205	$1,166	(3.3%)
Net Earned Premium	$1,260	$1,201	(4.6%)
Combined Ratio	92.1%	71.3%	(20.8)
Dividend Ratio	12.0%	9.2%	(2.8)
Combined Ratio w/Dividends	104.1%	80.5%	(23.6)
Underwriting Margin	(4.1%)	19.5%	23.6
Net Investment Income Ratio	45.0%	51.3%	6.2
Current Year Operating Margin	40.9%	70.7%	29.8
Bad Debt Expense	($117)	($142)	($25)
Realized Gains	$33	$285	$252
Net Income	$458	$1,013	$556
Dividends Paid	$152	$148	($4)

Amounts may not foot due to rounding.

NYSIF

Disability Benefits Fund

Q3 2026 Results

Preliminary & Unaudited

NYSIF

Disability Benefits Fund
Q3 2026 Overview – Statutory Basis

- **Earned premium increased by $6 million or 6.5% compared to 2025**
  - Higher earned premium in 2026 vs 2025 is primarily due to the impact of the PFL rate increase of 11.3% effective January 1, 2026.

- **The combined ratio decreased by 15.4 points compared to 2025**
  - Loss and loss adjustment expenses decreased due to a PFL Risk Adjustment pool invoice $6.4M lower than expected, offset by an increase in the New York State Average Weekly Wage.

- **Net income was $36 million, reflecting an increase of $13 million compared to 2025**
  - Net income was higher due to an increase in earned premium and a decrease in the PFL risk assessment pool expense.

NYSIF

Disability Benefits Fund
Statutory Basis Results

($ in millions)

Preliminary and unaudited

	3rd Quarter		
	YTD 2025	YTD 2026	Change (%, $, or pts)
Net Written Premium	$97	$106	9.7%
Net Earned Premium	$86	$92	6.5%
Loss and Loss Adjustment Expense Ratio	82.9%	67.7%	(15.1)
Underwriting Expense Ratio	6.5%	6.3%	(0.2)
Combined Ratio	89.3%	74.0%	(15.4)
Underwriting Margin	10.7%	26.0%	15.4
Net Investment Income Ratio	16.6%	15.1%	(1.5)
Current Year Operating Margin	27.3%	41.2%	13.9
Net Income	$23	$36	$13

Amounts may not foot due to rounding.

NYSIF

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED RESOLUTION*

The following is a resolution considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026. A quorum was present throughout:

RESOLVED, that the Board of Commissioners, under Section 82 of the Workers' Compensation Law, approves the 2027 Disability Benefits Fund Administrative Budget as submitted.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Vice Chair Dinallo			
Chairman Theobalds			

Michael Totaro
Assistant Secretary

proposed

*This proposed resolution has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)

KATHY HOCHUL
GOVERNOR

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New York State Insurance Fund

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Michael Totaro
Assistant Secretary

proposed

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2027 Proposed Budget
Workers' Compensation Fund

Board of Commissioners
November 18, 2026

2027 NYSIF Approved Administrative Budget

Executive Summary

- 2027 estimated Earned Premium, at $1.3B, reflects the NYCIRB loss cost reductions of 21.9% that took effect October 1, 2026.
- NYSIF's Controllable Administrative Expenses exclude the direct and indirect costs of claims handling and investment management (internal and external), which are treated as separate categories for Statutory reporting purposes.
- The NYS Budget Call Letter has mandated that state agencies hold their 2027 budgets flat to their 2026 budgets. NYSIF is not subject to the Department of Budget, but complied with this request and is proposing to hold the 2027 administrative budget equal to the 2026 adjusted budget.
- NYSIF's proposed 2027 Controllable Administrative Budget, at $170.5M, or 13.1% of earned premium, is well below NYSIF's legally mandated 25% administrative expense cap.
- Salaries and Fringe Benefits continue to represent approximately 80% of the Controllable Administrative Expense Budget.
- The 2027 planned administrative headcount is 943, flat with the 2026 adjusted budget.

2027 WC Proposed Administrative Budget

	STATE INSURANCE FUND WORKERS' COMPENSATION FUND CONTROLLABLE ADMINISTRATIVE EXPENSES	2026 Adjusted Administrative Budget	2027 Proposed Administrative Budget
	Salaries	$90,380,000	$90,380,000
	OPEB (Other Post Employment Benefits - Health)	7,128,000	7,128,000
	Payroll taxes and other employee benefits	38,629,660	38,629,660
	Sub-total Salaries and benefits	136,137,660	136,137,660
	IT expenses software and hardware	15,162,392	15,162,392
	IT consultants	4,011,211	4,011,211
	Security, mail and scanning services	3,100,162	3,100,162
	Underwriting payment and processing fees	3,953,722	3,953,722
	Printing	1,068,346	1,068,346
	All other including furniture and equipment	4,786,654	4,786,654
	Estimated collection agency fees	2,250,000	2,250,000
(1)	Administrative Expenses (subject to Board resolution)	$170,470,146	$170,470,146
*	FTE Attributed to Administrative Budget	943	943
(2)	Earned Premium	$1,540,176,000	$1,298,662,000
	Administrative Expense Ratio (1) / (2)	11.1%	13.1%

2027 Proposed Budget
Disability Benefits Fund

Board of Commissioners
November 18, 2026

Executive Summary

- As a ratio to earned premium, the **Administrative Expense Ratio** declines slightly from 6.6% to 6.5%.
- DB expenses are partially dependent on allocations from the Workers' Compensation Fund.

2027 NYSIF Proposed Administrative Budget

	STATE INSURANCE FUND DISABILITY BENEFITS FUND CONTROLLABLE ADMINISTRATIVE EXPENSES	2026 Administrative Budget	2027 Proposed Administrative Budget
	Salaries	$3,401,464	$3,401,464
	Payroll taxes and employee benefits	1,605,096	1,605,096
	Sub-total Salaries and benefits	5,006,560	5,006,560
	IT Expenses and Consultants	800,220	800,220
	Security, mail and scanning services	683,726	683,726
	Underwriting payment and processing fees	242,632	242,632
	Printing	55,243	55,243
	All other including collections	446,169	446,169
(1)	Administrative Expenses (subject to Board resolution)	$7,234,549	$7,234,549
	FTE	55	55
(2)	Earned Premium	$110,300,000	$111,971,000
	Administrative Expense Ratio (1) / (2)	6.6%	6.5%

NYSIF
New York State Insurance Fund

Investment Policy Statement

As Amended by the NYSIF Board of Commissioners on October 30, 2025

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About NYSIF

The New York State Insurance Fund ("NYSIF") was established in 1914 as part of the original enactment of the New York State Workers' Compensation Law. NYSIF's mission is to guarantee the availability of workers' compensation insurance at the lowest possible cost to New York employers and to provide timely, appropriate indemnity and medical payments to injured workers, while maintaining a solvent fund.

Since inception, NYSIF has fulfilled the dual roles for which it was created: to compete with other carriers to ensure a fair marketplace, and to be a guaranteed source of coverage for employers who cannot secure coverage elsewhere. In fulfilling its dual roles, NYSIF is charged with:

- Achieving the best health outcomes for injured workers by paying indemnity and medical benefits in a timely manner, and facilitating appropriate medical care

- Ensuring that all New York businesses have a market for workers' compensation and disability benefits insurance available to them at a fair price
- Maintaining a solvent state insurance fund that is always available to New York businesses
- Being a competitive force in the marketplace and an industry leader in price, quality, and service

NYSIF consists of two separate "Funds": the Workers' Compensation Fund ("WCF"), insuring employers against occupational injury and disease suffered by their employees; and the Disability Benefits Fund ("DBF"), established in 1949, which insures against disabling off-the-job sickness or injury sustained by employees.

New York voters approved the Workers' Compensation Act of 1914 by referendum.
The law was spurred by two significant events in American history: the 1909 Wainwright Commission that reported on the woeful labor conditions and treatment of injured workers, and the Triangle Shirtwaist factory fire of 1911, among the deadliest in New York City history.

NYSIF is a self-supporting insurance carrier that competes with private insurers in the workers' compensation and disability benefits markets. Operating income is derived solely from insurance premiums and investments. NYSIF is the largest provider of workers' compensation insurance in New York State.

Pursuant to the laws of the State of New York, NYSIF has the authority and responsibility to provide workers' compensation insurance to New York employers at the lowest possible cost consistent with maintaining a solvent fund and a reasonable net asset position, as well as to provide appropriate indemnity and medical payments to injured workers of its insureds, as well as to provide disability insurance.

In terms of statutory structure and purpose, Workers' Compensation Law (WCL) §77 provides that NYSIF "… shall be administered by the commissioners", and pursuant to WCL § 82(1) they, "shall appoint an executive director" and other enumerated appointments, and "…shall prescribe the duties of all administrative officers of the fund, except as they may otherwise be prescribed by law."

WCL § 82(2) provides that the executive director "shall, subject to the direction of the commissioners, be responsible for the direction and operation of the state fund." The executive director has appointment authority regarding "…all officers and employees of the fund" other than those appointed by the commissioners, and in the exercise of duties, the executive director is charged with ensuring that "…the state fund shall at all times be administered with due regard to the requirements of its business affairs and its obligations under its contracts and policies in force."

Pursuant to § 87 of the Workers' Compensation Law, NYSIF, "by order of the commissioners",has the authority to invest any of its reserve and surplus funds "in the types of securities" listed therein [WCL § 87(1) and (2)]. NYSIF's portfolios of investments are the WCF and the DBF. Pursuant to § 27(6) of the Workers' Compensation Law, NYSIF is also responsible for the investment of the assets of the Aggregate Trust Fund ("ATF"). NYSIF's Board of Commissioners (the "Board") is responsible for establishing NYSIF's investment policy and objectives, as well as exercising oversight of the investment management for both Funds and for the ATF.

Statement of Purpose

NYSIF's Investment Policy Statement (the "IPS") defines the framework by which NYSIF staff manages the assets of NYSIF in order to fulfill its mission. The document provides the primary guidance for NYSIF's investment activities by outlining the philosophy and structure of NYSIF's investment program, describing the general process by which assets are managed, and defining the responsibilities in NYSIF's investment program.

In formulating this policy, the Board has sought to allow sufficient flexibility to capture investment opportunities as they occur, while establishing reasonable parameters to ensure that prudence and care are exercised in the execution of NYSIF's investment program. The intent is for the IPS to be a dynamic

document, which will be reviewed regularly and at a minimum annually. The investment policy may be modified periodically to reflect any material changes to NYSIF's assets and liabilities, NYSIF's investment program and/or economic conditions.

Legal Authority

The State of New York Workers Compensation Law (the "WCL"), directives and other compulsory measures from the executive and legislative branches of the New York State government, and NYSIF's governing statutes create a legal framework within which this IPS must be interpreted and implemented by the Board in approaching its decisions. The Board is independent and has sole and exclusive legal responsibility over investment of the Funds' assets.

A. Fiduciary Duty

The Board and its members are public officers and fiduciaries, making decisions for the sole benefit of the Funds as a whole without other concerns or outside influence. Specifically, § 82 of the WCL obligates NYSIF Commissioners to "consider at all times the condition of the fund and examine into its reserves, investments and all other matters related to its administration." The Board's obligation to NYSIF, as a state agency, is to ensure that the Workers' Compensation Fund and the Disability Benefits Fund are properly administered and remain solvent.

The Workers' Compensation Law and NYSIF's role as a state agency provide a structure for NYSIF and the Board to establish a decision-making process to allow the Board to execute its oversight and its fiduciary obligations over investments of the Funds' assets.

All Board members have the same fiduciary duty. This fiduciary duty has several components:

- ***Duty of Care:*** duty to observe a standard of care that would be observed by an "ordinary, reasonably prudent person" when dealing with the money and/or property of another.

- ***Duty of Obedience:*** duty to ensure that the principal follows all applicable laws, complies with reporting requirements (as applicable), and follows or otherwise complies with its founding and/or authorizing documents and applicable bylaws.
  Included within this is a duty to act prudently**.** As a matter of policy, in analyzing investments, NYSIF primarily looks for guidance, and may draw upon common-law principles or trust and similar language describing fiduciary-duty standards, in § 404(a)(1) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as well as current best practice in institutional fund management. Under the Duty of Prudence, NYSIF Board members shall make such investments with the care, skill, prudence, and diligence that a prudent fiduciary acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. The Board must diversify the Funds' investments so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. The Board may invest or delegate the authority to invest the Funds' assets through the purchase, holding, or sale of any form or type of investment, financial instrument, or financial transaction to the extent permitted by law and when prudent in the informed opinion of the Board.

- ***Duty of Loyalty*****.** Under the Duty of Loyalty, Board members are required to discharge their duties with respect to the Funds' investments solely in the interest and for the exclusive purpose of providing benefits and meeting obligations to policyholders, claimants, and other stakeholders, and defraying reasonable expenses of the Funds' plan(s).

B. Code of Ethics

NYSIF Officers and Employees, including those involved with NYSIF's investments, must refrain from having any interest, or engaging in any business or transaction, which conflicts, or has the appearance to conflict, with their NYSIF duties. All Officers and Employees are subject to, and shall comply with, New York's ethics laws (including, without limitation, Public Officers Law Article 4) and NYSIF's Employee Vendor Policy, Code of Ethics and Commissioners Code of Ethics, as applicable.

Investment Policy

I. Investment Philosophy and Strategy

A. Investment Objectives

NYSIF's primary investment objective is to manage assets to maintain a sound net asset position so that the Funds can meet their liabilities to policyholders and to others, as they come due. This level of net assets will be achieved using a diversified investment strategy that assumes a prudent level of risk to generate returns sufficient to maintain or improve the amount of net assets over time, while keeping premium payments reasonable and predictable for the benefit of the injured workers and their employers in the State of New York. To support this objective, NYSIF will:

- Invest assets to safeguard the preservation of capital in the overall portfolio
- Generate income and growth within the parameters of prudent risk management and approved benchmarks
- Ensure adequate liquidity to meet all operating requirements that may be reasonably anticipated

B. Investment Tenets

The Board has adopted the following investment tenets ("Investment Tenets") to describe its core values and underlying assumptions about how capital markets operate. Collectively, the Investment Tenets provide a framework to guide investment decisions in a manner consistent with NYSIF's nature as an institutional investor with a long-term investment perspective in order to achieve the investment objectives defined above.

i. Capital Preservation

NYSIF seeks to contain the aggregate volatility of the portfolio and guard against the long-term erosion of each Fund's net asset position by preserving capital.

ii. Strategic Asset Allocation

Strategic asset allocation is a significant factor influencing long-term investment performance and asset volatility. NYSIF's asset-allocation process uses quantitative modeling to consider the long-term asset volatility, correlation of returns between asset classes and liability cash flows.

iii. Diversification

Diversification results in a more efficient portfolio by adding various sources of risk and return, since various asset classes may behave differently under different economic regimes and market environments. A well-diversified asset mix is instrumental in meeting the Funds' long-term objectives.

iv. Long-term Perspective

Adopting a long-term, strategic perspective in formulating investment policy can be advantageous to overall portfolio returns, because individual components of an investment plan may not always appear to add value over shorter time frames.

v. Asset-Liability Management

By matching assets against liabilities dynamically, the Funds can minimize overall portfolio volatility and preserve claims-paying ability.

vi. In-House Investing

Maintaining an internal team of investment professionals is an appropriate strategy to control costs and retain optimal control of the assets. Managing NYSIF's largest asset exposures internally allows the Funds to maintain agility in responding to shifts in markets or the Funds' liabilities.

vii. Risk

Risk management and performance benchmarking are integral to the entire investment process. Since no single metric adequately conveys risk, NYSIF will evaluate risk holistically, incorporating quantitative and qualitative assessments into management of the portfolio.

viii. Governance

A well-articulated governance structure allows decision-makers to work together effectively, ensures long-term success, and encourages constructive dialogue. Sound investment policies, controls, accountability, oversight and reporting are critical to NYSIF's long-term investment performance.

ix. Process

A robust, well-documented, consistent process overseen by a team of well- resourced, diverse investment professionals is required to realize NYSIF's investment objectives. Diversity of thought at all levels of the decisionmaking process is critical.

x. Costs and Fees

Costs and fees impact investment returns, and are optimized through internal management, external-manager fee negotiations, and a focus on net performance.

C. Asset Allocation

NYSIF fundamentally believes that long-term, strategic asset allocation will be the primary determinant of risk/return outcomes, and therefore establishes a strategic asset allocation to meet its mission and investment objectives.

NYSIF's strategic asset allocation categorizes capital outlays into two primary groups, defined by the function each allocation is intended to serve in the portfolio: (1) Core Assets and (2) Risk Assets, each of which includes additional functional categories with asset classes having their own risk/return characteristics.

NYSIF expects the various asset- class categories to diversify the Funds, mitigate downside risk and optimize growth. The asset allocation determines what proportion of each Fund is allocated to each functional category and underlying asset class, including target weights and allowable ranges as a percentage of the Funds.

In order to determine its strategic asset allocation, NYSIF conducts a comprehensive asset allocation study every three to five years, or at the Board's request.

NYSIF's approved asset-allocation and benchmark tables are detailed in the Appendix.

D. Overview of Strategic Asset Allocation

NYSIF groups asset classes into the following functional categories:

i. Core Assets

NYSIF's exposure to "Core" assets is primarily to investment-grade fixed-income instruments. The objective of NYSIF's core-asset portfolio is to provide diversification, capital preservation, liquidity, competitive relative returns and deflation protection. The portfolio will primarily be managed by members of the Investment Department ("Staff").

ii. Risk Assets

Risk assets are sub-divided into below-investment-grade fixed-income instruments, public equity, inflation-sensitive assets and alternative investments. The objective of NYSIF's below-investment-grade fixed-income portfolio is to gain exposure to higher-yielding investments that generate greater income for the portfolio and produce a higher expected rate of return than that of the investment-grade fixed-income portfolio. Compared to the investment-grade fixed-income portfolio, this portfolio is expected to have a higher level of risk/volatility. The below-investment-grade fixed-

income portfolio is also expected to produce, over time, total risk-adjusted returns greater than a below- investment-grade fixed-income benchmark.

The objective of NYSIF's public equity portfolio is to provide exposure to economic growth and to capture the equity risk premium. The public equity portfolio consists of mostly domestic large-, medium- and small-capitalization stocks that will be invested in both actively and passively managed investment strategies with the goal of exceeding the return of an appropriate public-equity benchmark on a risk-adjusted and net-of-fees basis, with medium to low tracking error (*i.e.*, the standard deviation of the difference between the returns of an investment portfolio and the underlying benchmark). The objective of NYSIF's inflation-sensitive asset portfolio is to improve the portfolio's overall resilience to above-trend inflation. Inflation-sensitive assets may include funds or other investment vehicles with exposure to infrastructure that benefits from scarcity or from long-term arrangements either to fix costs or to adjust permitted/contracted revenues upward in line with inflation.

Depending on then-prevailing market conditions, inflation-sensitive assets may also include Treasury Inflation-Protected Securities and funds with exposure to commodities.

Alternative investments consist of investments in relatively illiquid assets (*i.e.*, equity, credit, real estate), which, by virtue of their illiquidity, command a premium return over comparable publicly traded securities.

- *The objective of the Private Equity* portion of the alternative portfolio is to provide superior risk-adjusted returns and/or to exhibit low correlation relative to the traditional assets portion of the investment portfolio. The Private Equity portfolio will be diversified and consist of investments in a variety of private-equity funds and strategies (e.g., buyouts, growth equity, venture capital, special situations, and co-investments). It shall be invested in actively managed investment strategies with the goal of exceeding an appropriate benchmark to be chosen closer to the time that this portion of the portfolio is actually funded. Because the Private Equity portfolio will take time to get invested, its early performance may differ materially from that of a mature private-equity benchmark. For this reason, the Private Equity benchmark will be used primarily as a long-term performancemeasurement tool.
- *The objective of the Private Credit* portion of the alternative portfolio is to provide superior risk-adjusted returns, income, and/or to exhibit low correlation relative to the traditional assets portion of the investment portfolio. The Private Credit portfolio will be diversified and consist of investments in a variety of private-credit funds and strategies. It shall be invested in actively managed investment strategies with the goal of exceeding an appropriate benchmark to be chosen closer to the time that this portion of the portfolio is actually funded. Because the Private Credit portfolio will take time to get invested, its early performance may differ materially from that of a mature private-credit benchmark. For this reason, the Private Credit benchmark will be used primarily as a long-term performance-measurement tool.
- *The objective of the Real Estate* portion of the alternative portfolio is to provide superior risk-adjusted returns, income, and/or to exhibit low correlation relative to the traditional assets portion of the investment portfolio. The Real Estate portfolio will be diversified and consist of investments in a variety of debt and equity real-estate funds and strategies. It shall be invested in actively managed investment strategies with the goal of exceeding an appropriate benchmark to be chosen closer to the time that this portion of the portfolio is actually funded. Because the Real Estate portfolio will take time to get invested, its early performance may differ materially from that of a mature private-equity benchmark. For this reason, the Real Estate benchmark will be used primarily as a long-term performance-measurement tool.

E. Performance Objectives

Performance objectives are multi-faceted and account for asset quality, risk tolerance, credit upgrades and downgrades, ALM considerations, actual performance versus appropriately tailored benchmarks, as well as anticipated performance under a variety of stress tests. The long-term performance objective of the Funds is to generate risk- adjusted returns that meet or exceed their policy benchmarks, net-of-fees, over the Funds' designated investment time horizon, taking into account the conservative profile of internally managed assets and of NYSIF's risk parameters. It is expected that any active external management of individual asset classes will provide an investment return in excess of the index, net of expenses, on a consistent basis. NYSIF's policy benchmarks at the total Fund level, the functional category level, and the asset class level can be found in the Appendix.

F. Portfolio Rebalancing

Staff, in consultation with the investment consultant, will review the actual assetallocation percentages at each regularly scheduled convening of the Investment Committee. If an asset allocation falls outside of the Board-approved range(s) limits set forth above, Staff will notify the Executive Director and the Investment Committee. If appropriate, Staff will rebalance the portfolio back to within the strategic asset allocation's policy ranges as promptly as would be prudent considering market conditions, transaction costs, and any other relevant factors. Upon determining the appropriate course of action, Staff will inform the Executive Director and the Investment Committee of the plan to adjust the portfolio back to within the Boardapproved range(s).

An exception to the rebalancing procedure may apply to liquidity-constrained assets, such as alternative investments. In such instances, the Chief Investment Officer ("CIO") will develop a plan for an orderly rebalancing, recognizing that the Board does not wish to force illiquid asset purchases or sales which could adversely impact the relevant Fund. The Board acknowledges that liquidity-constrained asset rebalancing could require an extended period of months or even years before it is possible to prudently return to the policy ranges specified for the relevant asset class.

G. Diversity and Inclusion

The Board values diversity and inclusion and is committed to providing ongoing opportunities for minority- and women-owned investment-management firms to manage assets on behalf of NYSIF. As such, it shall be the policy of NYSIF to ensure that no barrier exists to the full participation of external investment managers that are MWBEs in the investment opportunities afforded by NYSIF. (Please refer to the Attachments for the MWBE Policy Statement.) NYSIF believes that effectively accessing and managing MWBE talent—inclusive of varied backgrounds, age, experience, race, gender, ethnicity, and culture—leads to improved outcomes.

NYSIF expects all its external investment managers and investment consultants to respect NYSIF's values of diversity and inclusion, reflect them in their own organizations, and strive to establish similar MWBE goals as defined within the MWBE Policy for their external service providers.

Also, where there are opportunities within the approved strategic asset allocation, and in compliance with the IPS, the Board desires to do business with service-disabled veteran- owned external investment managers ("SDVOM"). An SDVOM is an investment manager where at least 51% of the firm is owned by one or more servicedisabled veterans with a service-connected disability rating of 10% or more from the US Department of Veterans Affairs.

H. ESG Considerations

The Board recognizes that environmental, social and governance ("ESG") factors may influence the risk-return profile and financial performance of investments. ESG factors may vary for any potential investment according to industry, geographic exposure, business strategy, investment time horizon and other variables. As part of fulfilling its mission and fiduciary duty, NYSIF aims to identify, assess and monitor relevant ESG factors, and then to incorporate these insights into investment decisions, in order to generate sustainable returns. The Board intends for the Funds to achieve "net-zero" status in their investment portfolios by 2040.

NYSIF also assesses and monitors external investment managers with respect to their capacity for, and skill in, embedding ESG considerations into their own investment processes in respect of outsourced NYSIF portfolios. Accordingly, NYSIF Staff and/or external investment managers will (1) vote the Funds' shareholder proxies and maintain an active corporate-governance program for the Funds' publicly traded equity with due consideration of ESG factors, and (2) incorporate relevant ESG issues into the Funds' investment analyses and decision-making processes within investment programs. Investment recommendations in all asset classes will include information on, and consideration of, managements' ESG policies and practices, focusing on the risks and standards relevant to the investment under consideration.

I. Responsible Contracting

NYSIF supports responsible contracting, fair wages, and fair benefits for workers who are employed by its contractors and subcontractors. In its investment portfolios, NYSIF encourages the performance of investment managers, advisors, contractors, and subcontractors that upholds fiduciary principles related to the duties of care, loyalty and obedience. The construction and management of an investment portfolio intended to achieve a competitive risk-adjusted return complies with these duties.

Responsible contracting also includes contractors' demonstrated compliance with local, state, and federal laws and payment of prevailing wages. Furthermore, NYSIF supports labor unions and promotes the use of union labor in the development of its real estate and infrastructure investment objectives. Additionally, NYSIF encourages contractors to disclose climate-related business risks as part of the procurement process.

II. Investment Process

NYSIF staff may utilize internal resources or externally managed portfolios implemented by investment management firms and service providers to effectuate NYSIF's investment program. In determining whether to use internal or external resources to implement a specific investment mandate, strategy, or investment-related service, NYSIF's Board, at the recommendation of staff will take into consideration numerous factors, including, but not limited to, return expectations, associated risks, compliance requirements, and expenses related to the specific strategy or service.

The following sections articulate the general parameters and processes by which NYSIF executes its investment strategy, in adherence to established policies and procedures. Further, "[t]he commissioners shall consider at all times the condition of the fund and examine into its reserves, investments and all other matters relating to its administration. They shall have access to all records and books of account and may require the personal appearance before them and require information from any officer or employee of the fund." [WCL § 82(3)]

A. Outsourced Investment Management

i. Selection and Monitoring

If the CIO, in consultation with the Board's investment consultant, determines that NYSIF lacks the necessary expertise to manage a specific asset allocation internally, or that certain assets would be more effectively managed by a third party, the CIO may recommend the hiring of one or more external investment managers.

External investment managers will have discretionary authority over day-to-day management of NYSIF assets consistent with this IPS and all statutory and regulatory requirements applicable to NYSIF. External investment managers will enter into an Investment Manager Agreement with NYSIF which sets out duties and responsibilities of an external investment manager. External investment managers will report directly to Staff.

NYSIF has formal procedures to guide the selection, appointment, and monitoring of external investment managers and service providers. NYSIF expects any external investment manager acting on behalf of NYSIF to serve as a fiduciary.

ii. Investment Manager Agreements

Board-approved investment recommendations are subject to negotiation and execution of an agreement that, in the judgment of NYSIF's CIO and NYSIF's General Attorney, includes all terms necessary to provide adequate protection for NYSIF's interests under the circumstances of the transaction, including but not limited to an appropriate standard of care on the part of the investment manager.

iii. Manager Retention

Manager-retention decisions have a potential impact on returns that is comparable to the selection of external investment managers in the first place. A disciplined process for assessing each external investment manager, particularly one that has underperformed its benchmark, may avoid the risk of retaining such a manager for too long or, alternatively, terminating a manager at a time that in hindsight might prove too hasty.

The Board may exercise its discretion, based on any applicable criterion or standard, in the overall manager-retention decision-making process, including but not limited to the following:

- Performance relative to appropriate market indices and peers on both a nominal and a risk-adjusted basis
- Adherence to, and compliance with, NYSIF's IPS, the manager-specific Investment Manager Agreement and any other established policy, rule, guideline or parameter
- Material changes or revisions to the external investment manager's business plan, investment philosophy, staff composition, ownership, ratings by investment consultants or assets under management, whether or not any of these directly involve NYSIF assets
- Evidence of material client-servicing problems; legal, regulatory or compliance breaches or other compliance issues; or involvement in litigation, fraud or conflicts of interest; whether or not any of these directly involve NYSIF assets

iv. Costs and Fees

NYSIF considers the costs and fees related to executing its investment program to be a crucial component of its fiduciary duty and an important element in determining its strategic asset allocation. In all aspects and functions of its investment program, NYSIF seeks to actively identify, assess, and monitor costs and fees to ensure their reasonableness.

NYSIF expects that the economic termsand conditions by which any external party is compensated for investment-related services should promote an alignment of interests between NYSIF and the external party in fulfilling NYSIF's mission and investment objectives. Accordingly, NYSIF diligently attends to and negotiates the economic terms of investment services rendered to the Funds.

B. Liquidity Management and Other Investment Functions

The following sections provide the general guiding principles and parameters for ancillary components of NYSIF's investment process, including liquidity management, the use of derivative instruments, proxy voting, brokerage and securities lending.

i. Liquidity Management

Effective liquidity management is integral to NYSIF's investment process. NYSIF strives to maintain appropriate levels of liquidity—*i.e.*, the ability to convert investments into cash—in order to meet immediate or short-term obligations and liabilities. NYSIF monitors each Fund's liquidity in the context of its liabilities.

ii. Derivatives Management

When utilized prudently, derivatives can be a useful tool in portfolio management.

A derivative instrument is defined as an "agreement, option, instrument or a series or combination thereof: (A) to make or take delivery of, or assume or relinquish, a specified amount of one or more underlying interests, or to make cash settlement in lieu thereof; or (B) that has a price, performance, value or cash flow based primarily upon the actual or expected price, level, performance, value or cash flow of one or more underlying interests." (Insurance Law § 1401(7)) NYSIF may invest surplus funds in derivative instruments as permitted under Workers' Compensation Law § 87.

iii. Proxy Voting

For externally managed equities, the voting of proxies will be delegated to the investment managers. Staff will ensure that the external investment managers have appropriate policies for proxy voting and that, at a minimum, those policies meet industry standards and respect all components of the Investment Philosophy and Strategy section of this IPS. Staff will oversee the voting of proxies for any incidental equity holdings, if any, in NYSIF's internally managed accounts. NYSIF will retain the right to direct the voting of any proxy as NYSIF determines in its absolute discretion to be appropriate.

The external investment managers will advise Staff annually on how proxies have been voted on behalf of NYSIF.

iv. Brokerage

In executing trades as part of fulfilling asset-management mandates, Staff and any external investment managers shall attempt to obtain the best net price for each purchase or sale. In selecting a broker-dealer for a particular transaction, Staff and any external investment manager shall consider the broker-dealer's fitness in terms of the execution capabilities required by the transaction, the cost, the speed or efficiency of transacting, the ability to transact confidentially, and other factors, including any relevant factors identified in or consistent with WCL § 87-i, which provides for an MWBE asset management and financial institution strategy.

NYSIF has established relationships with portfolio transition managers to assist in the liquidation of manager portfolios and the transition of affected assets. In all cases, transition managers shall have individual transition management agreements in place that specify their obligation to act as a fiduciary to the Fund and that specify their role in executing transactions on behalf of the Fund (*i.e.*, agent or principal).

v. Securities Lending

WCL § 87(4) permits NYSIF to lend its securities under a security-lending agreement, by order of the Board and approved by the New York State

Superintendent of Financial Services. Staff will oversee NYSIF's securities-lending program which will be administered by one or more chosen lending agents. Every security loan under the program will be overcollateralized, with collateral delivered to NYSIF's account(s) at the custodian. The portfolio of collateral invested for NYSIF's benefit will be marked to market daily, and the borrower will be required to deliver additional collateral when necessary. The program for securities lending will be reviewed annually.

III. Risk Management

NYSIF assumes certain risks to achieve sufficient returns to meet the Funds' financial obligations and investment objectives, including the primary objective of maintaining a sound net-asset position. Through the strategic asset allocation, NYSIF attempts to position each Fund to mitigate large drawdowns while meeting growth and income targets. NYSIF's investment strategy is designed to take risk to achieve commensurate investment results.

Investment risk at NYSIF pertains primarily to a Fund's inability to meet liabilities to policyholders and to others as they come due. This may follow from the permanent loss of capital on an investment due to bankruptcy or insolvency, but may also arise from deficient internal controls, cyber-security, or climate-risk mitigation among those investments.

In managing investment risk, NYSIF measures, analyzes, and monitors risks in the context of guidelines, expectations, constraints and market environments. NYSIF seeks to mitigate the impact of a drawdown on the Funds in order to accomplish its investment objectives and to reduce volatility, in service of NYSIF's mission to provide the lowest possible cost to policyholders while maintaining a solvent fund.

A. Philosophy and Objectives

NYSIF considers risk multi-faceted and, therefore, views risk from multiple perspectives. Risks may vary and evolve over time, and across sectors, investments and investment strategies. Risk may be systematic (i.e., present across the market) or unsystematic (i.e., specific to a particular investment or strategy). A risk may pertain to and potentially impact a Fund overall, a functional asset category, or individual underlying asset classes.

NYSIF seeks to diligently identify, assess, and monitor relevant investment risks throughout the investment process, from formulating its strategic asset allocation to evaluating and monitoring the Fund's results relative to strategic objectives. This helps to ensure that risks assumed by a Fund are intentional and adequately compensated.

B. Approach

NYSIF's risk-management approach starts with a risk-management framework and strategic asset allocation that the Board will adopt formally every three to five years. The allocation will embed risk thresholds for each asset category. As with the asset allocation itself, these thresholds will also be approved by the Board, and subject to ongoing measurement and review. The Board will develop a risk-tolerance framework for each functional asset category and underlying asset class, and for the overall portfolio.

Fundamental risk-management principle and practice call for, at a minimum, establishing investment guidelines and pursuing multiple approaches to diversification beyond asset category alone (such as asset class, duration, liquidity and degree of active management). Another basic tenet of risk management is portfolio rebalancing, to minimize unintended risk caused by asset-allocation drift. NYSIF will formulate investment guidelines for both internal and external investment managers, regularly monitor compliance therewith, and amend as warranted. NYSIF will also implement or oversee appropriate portfolio diversification and rebalancing events.

NYSIF seeks to identify and acknowledge the sources and types of risk inherent in each investment strategy. To that end, NYSIF will measure value-at-risk ("VaR") in both absolute and relative terms, conduct stress-testing the portfolio's performance under both actual historical and forecasted future scenarios, and execute other salient analyses. (These efforts are sometimes described as "risk modeling.")

Risk management also includes selecting appropriate benchmarks, and measuring performance against those benchmarks, to assess whether risks taken by a Fund are suited to that Fund's objectives and appropriately rewarded. NYSIF will adopt benchmarks for each component of the strategic asset allocation.

Stress-testing is of particular importance to NYSIF as the Funds' asset allocations increasingly include risk assets. In that context, even sophisticated risk-measurement techniques may inadequately capture the effect of certain risks, including extreme market events. Because some risk models may provide only limited predictive capability, NYSIF will test and challenge investment strategies and assumptions prior to a capital outlay as well as conduct ongoing monitoring.

NYSIF will substantiate its risk-management process through deliverables such as weekly dashboards and more formal monthly and quarterly reports. Beyond the dayto-day process, NYSIF believes that periodic higher-level reviews of the risk framework (and the deliverables themselves) support the goal of meeting income and growth objectives for a given level of risk assumed, while also minimizing the risk of large losses. For this reason, Staff will regularly evaluate the various components of NYSIF's risk-management approach. For example, at least annually, the Board will review the portfolio's actual risk performance.
In summary, NYSIF's risk management process is a daily discipline, evidenced by frequent risk-metric reporting on both internally and externally managed portfolios. At the same time, the robustness of the overall risk-management regime is supported by periodic top- down and bottom-up reviews of the framework, of tolerances, of processes and performance, and of deliverables. Finally, NYSIF recognizes that risk management, as a field, is constantly evolving in response to developments in financial markets, in technology and in methodology. NYSIF's risk-management process strives to adapt to these changes.

C. Portfolio Risk Management

Staff will manage overall portfolio risk, which is materially affected by key drivers of "market risk," such as economic-growth outlooks, inflation forecasts and credit fundamentals. NYSIF's risk management practices seek to (1) maintain asset allocations within specified ranges, (2) manage portfolio interest-rate risk, (3) mitigate creditrelated losses, and (4) ensure adequate liquidity to meet liabilities, among other objectives.

i. Interest-Rate Risk

To minimize interest-rate risk, Staff will ensure that adequate resources are devoted to measuring and monitoring asset cash flows so that they closely match anticipated liabilities.

ii. Credit Risk

To limit the risk of loss stemming from credit impairment, NYSIF's fixed-income portfolio shall be diversified and have a minimum weighted average credit rating of mid-single A.

iii. Liquidity Risk

NYSIF shall maintain sufficient liquidity to fund near-term liabilities as they come due, including investing a substantial proportion of each Fund in securities with active secondary or resale markets.

IV. Roles and Responsibilities

NYSIF has established the following roles and responsibilities to implement its investment program. The duties explained below apply to the Board, the Investment Committee, the Investment Department, and various external parties who collectively oversee and administer the functions necessary for NYSIF to accomplish its investment objectives.

A. Board of Commissioners

Commissioners are charged as fiduciaries with considering and examining the condition of the fund, its reserves and investments,in issuing orders regarding the type of securities in which NYSIF places investments of reserve and surplus, in setting policy applicable to NYSIF's investments , and is responsible for ensuring the prudent oversight, governance, and management of NYSIF's assets. The Board may obtain expert advice, from both internal and external sources, as needed. The Board may delegate functions that a prudent entity

acting in a like capacity and familiar with those matters could properly delegate under the circumstances. However, the power to delegate does not relieve the Board of its fiduciary duty; it may instead be seen as a tool to ensure the fulfillment of the Board's oversight function enabling the solicitation of expert advice and facilitating informed decision making on the part of the Board.

The general responsibilities of the Board related to investments include the following:

- Approve investment objectives consistent with each Fund's projected liabilities and other obligations
- Approve a strategic asset allocation (including appropriate benchmarks) and investment policy for each Fund, and periodically review the same in light of any changes to actuarial inputs, market conditions, or other evolving facts/situations relevant to the appropriate character of those policies
- Approve overall risk-tolerance framework, and risk limits/thresholds for both internally and externally managed investment portfolios
- On an annual basis, approve the IPS, amending as warranted
- Approve and terminate investment consultant(s) who advise the Board
- Approve selection and retention of external investment managers whose philosophy and approach support their intended role in alignment with each Fund's overall investment objectives
- Approve selection and retention of custodial bank and other third-party service providers
- Approve certain investment-related contracts
- In consultation with the CIO and investment consultant(s), review results of the internally and externally managed investment portfolios

B. Investment Committee

The Investment Committee is a standing committee of the Board created to assist the Board in discharging its oversight responsibilities relating to NYSIF's investments.

The Investment Committee will meet, at a minimum, once each calendar month in which there is a meeting of the Board. Reporting to the Board, the Investment Committee shall:

- Monitor adherence to the IPS
- Review the strategic asset allocation and investment policy for each Fund
- Monitor portfolio results versus goals and objectives
- Monitor performance of internally and externally managed assets, including on an individual-manager basis, and review asset-class benchmarks used in this task
- Review recommended plans for any portfolio adjustment necessitated by portfolio rebalancing or terminations of external investment managers
- Monitor compliance with statutory and regulatory restrictions, and with Board rules and resolutions relating to investments
- Review overall risk-tolerance framework, and risk limits/thresholds for both internally and externally managed investment portfolios
- Review the IPS periodically and recommend adoption of the IPS annually to the Board.
- Review and recommend the selection and oversight of external investment managers to the Board of Commissioners
- Review and recommend the selection and oversight of investment consultant, custodian bank, and other third-party relationships to the Board of Commissioners.
- Monitor and, at least annually, review securities-lending arrangements
- Provide investment-related information and recommendations to the Board as required

C. Investment Department

The Investment Department is managed and led by the CIO (Chief Investment Officer) who reports to the Executive Director and the Board.

Investments staff provides analysis and recommendations to the Board, and seeks approval from the Board, on a wide variety of investment-related matters. Additionally, Staff oversees and directs the implementation of the Board's established policy and takes action as approved by the Executive Director or designee in the placement and management of Funds. Staff shall:

- Propose and implement a Board-approved strategic asset allocation, including appropriate benchmarks
- Invest each Fund's assets as set forth in the IPS and in a manner consistent with each Fund's strategic asset allocation, overall risk tolerance, statutory requirements, and liquidity needs
- Monitor external investment managers for adherence to appropriate investment policies, guidelines and contractual terms
- Evaluate external investment managers for results and performance, including ensuring that performance-monitoring systems are sufficient to provide the most timely, accurate and useful information as possible
- Manage relationships with broker-dealers, investment consultant(s), the custodian bank and any other third-party service providers
- Consistent with the [NYSIF's] procurement policy and State Finance Law, conduct a process for hiring and retaining external investment managers and advisors, as appropriate and with assistance from the investment consultant(s) and, as needed, other parties *(IC NOTE: should reference not only state finance law and NYSIF procurement process but also the part of the statutue that in essence exempts us from pro forma procurement with regard to our "insurance business" functions. Counsel should know what section of our statute to which i refer.)*
- Manage any portfolio adjustment necessitated by portfolio rebalancing or terminations of external investment managers
- Consult with legal counsel regarding documents, policy, securities litigation and other legal matters
- Report to the Executive Director on all matters, and, where appropriate, the Board, not limited to asset allocation, investment results, portfolio performance, risk management and metrics, liquidity, ESG, securities lending and, if applicable, derivatives use
- Advise and apprise the Board of any other events of investment significance
- Acquire sufficient internal staff and resources to meet objectives and fiduciary duties
- Conduct business in an ethical manner

D. Third Party Service Providers

NYSIF may engage external service providers, as described below, to implement its investment program. All service providers, unless otherwise not applicable, are expected to serve as fiduciaries to the Fund in fulfilling their contracted services. Third party service providers must refrain from gift-giving or other efforts that may jeopardize the impartiality, or appearance thereof, of NYSIF's Board and Staff.

i. Investment Consultants

An investment consultant works for the Board in the oversight and implementation of investment objectives. An investment consultant provides to the Board and Staff an independent perspective on the objectives, structure, and performance and management of NYSIF's assets. In pursuing the Board's objectives, an investment consultant may work with Staff and external investment managers. An investment consultant shall:

- Acknowledge and agree to accept a fiduciary duty to NYSIF
- Regularly review and make recommendations to the Board, when requested, in collaboration with Staff, regarding investment policies and procedures, and strategic and tactical asset-allocation matters
- Provide research, information and education on investment matters as required or requested by the Board or Staff

- Prepare monthly reports and a quarterly performance report assessing the performance of each Fund, its asset classes, and its external investment managers in relation to relevant performance benchmarks, and peer funds
- Provide any other advice or services that the Board or Staff determine from time to time is necessary, useful or appropriate to achieve the objectives of, or adherence to, this IPS, in accordance with their agreement with NYSIF

The Board may contract with specialist investment consultants to focus on particular areas of interest (*e.g.*, emerging and minority managers).

ii. Custodian Bank

The Board recognizes that accurate and timely completion of custodial functions is necessary for effective investment management and accurate recordkeeping. The custodian is a fiduciary as to the assets placed with them by NYSIF. The custodian shall:

- Provide complete custody and depository services for designated accounts
- Provide for suitable and legally/regulatorily compliant investment or deposit vehicle for any cash left uninvested overnight in designated accounts
- Implement in a timely and effective manner the investment actions as directed by Staff and any external investment manager(s)
- Collect and receive all income and principal realizable and properly report transactions in periodic statements
- Provide monthly and annual accounting statements as well as on-line access to accounting for NYSIF, including all transactions
- Report to Staff situations where security pricing is either not possible or subject to considerable uncertainty
- Assist the Board and Staff in completing such activities as the annual audit, transaction verification and other issues
- As requested by Board or Staff, provide performance measurement and portfolio analytics for the Funds
  When directed by the Board, and pursuant to a separate, written agreement for securities-lending service, implement, in a fair and equitable manner, a securities-lending program for NYSIF, and report fully on all aspects of its operation and returns

iii. External Investment Managers

The primary responsibility of each external investment manager is to invest in accordance with the Investment Manager Agreement that governs the assets being invested for NYSIF's benefit. In particular, external investment managers shall:

- Acknowledge and agree to accept a fiduciary duty to NYSIF
- Manage NYSIF's assets under its control in accordance with the IPS and any goals, objectives, guidelines and/or risk-tolerance framework approved by the Board or articulated in statute or regulation
- Provide Staff with periodic reports on portfolio activity, performance and compliance with the IPS and other requirements
- Meet in person with Staff and any other NYSIF invitee on at least an annual basis
- Provide copies of policies on ethics, employee personal trading, brokerage, "soft dollars," trade execution, proxy voting and any other topic relevant to compliance with statute, regulation and/or market convention related to the fulfillment of fiduciary duty
- Inform Staff of all changes of a material nature to the firm's organization and professional staff
- Vote all proxies and related actions consistent with NYSIF's interests, as authorized by NYSIF

iv. Placement Agents

NYSIF does not hire, engage, employ, or otherwise retain placement agents (sometimes known as third-party marketers) and does not use the services of placement agents. No external investment manager (including general partners of partnerships in which NYSIF may participate) or other third party retained by NYSIF shall hire, engage, employ, or otherwise retain the services of any placement agent for the purpose of securing or maintaining the management of NYSIF investment assets.

v. Other Third-Party Service Providers

Additional third-party service providers may be retained, subject to the terms and conditions of NYSIF's established policies and procedures, in order to perform other duties to assist in the administration of the Funds.

Appendix

Table 1: WCF Approved Asset Allocation

Asset Class	Minimum	Policy Target	Maximum
Investment Grade Fixed Income	75%	80%	100%
High Yield	0%	4%	7%
Public Equities	0%	8%	12%
Inflation-Sensitive Assets	0%	1%	2%
Alternative Assets*	0%	5%	7%
Cash	0%	2%	5%

*** Opportunistic and Alternative Assets cannot exceed 7% in total**

Table 2: ATF Approved Asset Allocation

Asset Class	Minimum	Policy Target	Maximum
Investment Grade Fixed Income	95%	100%	100%
Cash	0%	0%	5%

Table 3: DBF Approved Asset Allocation

Asset Class	Minimum	Policy Target	Maximum
Investment Grade Fixed Income	85%	90%	100%
Public Equities	0%	10%	15%
Cash	0%	0%	5%

Table 4: Benchmark Table for WCF

Asset Class	Benchmark
Public Equity Portfolio	Russell 3000 Index
Large Cap	Russell 1000 Index
Small Cap	Russell 2000 Index
Fixed Income Portfolio	Custom Blend of all WCF Fixed Income Benchmarks
Investment Grade (Internal)	Custom Blend
Investment Grade (External)	Custom Blend
Below Investment Grade	Custom Blend
Inflation-Sensitive Asset Portfolio	“Core” CPI, plus 300 bp
Alternative Asset Portfolio	Custom Blend

Private Equity	Cambridge Associates US All PE (3-month lag)
Private Credit	ICE-BofAML High Yield Index
Real Estate	NFI ODCE (3-month lag), plus 50 bp
Cash	ICE BofAML 3-Month T-Bill Index
TOTAL FUND	Custom Blended Policy Benchmark

Table 5: Benchmark Table for ATF

Asset Class	Benchmark
Investment Grade Fixed Income	Custom Blend
Cash	ICE-BofAML 3-Month T-Bill Index
TOTAL FUND	Custom Blended Policy Benchmark

Table 6: Benchmark Table for DBF

Asset Class	Benchmark
Investment Grade Fixed Income	Custom Blend
Public Equity Portfolio	Russell 3000 Index
Cash	ICE-BofAML 3-Month T-Bill Index
TOTAL FUND	Custom Blended Policy Benchmark

Attachment A: MWBE Investment Manager Policy

Addendum to IPS - as adopted by the Board on November 17, 2021

Purpose

The Board of Commissioners ("Board") of the New York State Insurance Fund ("NYSIF") values diversity and inclusion and is committed to providing ongoing opportunities for minority and women owned investment management firms to manage assets on behalf of NYSIF. As such, it shall be the policy of NYSIF to ensure that no barrier exists to the full participation of MWBE managers in the investment opportunities afforded by the NYSIF. NYSIF believes that effectively accessing and managing MWBE talent, inclusive of varied backgrounds, age, experience, race, gender, ethnicity, and culture, leads to improved outcomes. NYSIF expects all its external investment managers and investment consultants to respect NYSIF's values of diversity and inclusion, reflect them in their own organizations and strive to establish similar MWBE goals as defined within this Policy for their external service providers.

This MWBE Policy is intended to be an addendum to the Investment Policy Statement ("IPS") and, therefore shall be subject to all provisions of applicable law and the applicable limitations and requirements of the NYSIF IPS. The Board of Commissioners may amend, supplement or rescind this MWBE Policy at any time.

Definition of Minority and Women Owned Business Enterprises ("MWBE")

NYSIF defines MWBE owned firms and women owned firms using the following definitions:

Minority-Owned

A business enterprise in which at least fifty-one percent (51%) is owned, operated and controlled by person(s) of color that identify as one (or more) of the following ethnic categories:

- Black: Persons having origins from any of the Black African racial groups
- Hispanic: Persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Native American or Latin American origin, regardless of race
- Asian-Pacific: Persons having origins from the Far East, Southeast Asia or the Pacific Islands
- Asian-Indian Subcontinent: Persons having origins from the Indian subcontinent
- Native American or Alaskan Native: Persons having origins in any of the original peoples of North America

Woman-Owned

A business enterprise in which at least fifty-one percent (51%) is owned, operated, and controlled by a person(s) who is/are a woman.

Although this Policy is not limited to Empire State Development ("ESD") Certified MWBE managers, it is the preference of the Board to retain managers that are ESDcertified or are willing to undergo the process of certification.

Goals for MWBE Manager Utilization

The goals defined below are established by reviewing the universe of MWBE managers based on, but not limited to, the investment consultant's internal and external databases, as well as NYSIF Staff's and the investment consultant's collective knowledge of the MWBE manager space.

The percentages established below are defined as a percentage of externally managed assets:

Equities – 55%
Fixed Income – 30%
Alternative Investments – 30%

By utilizing the established asset class goals defined above, the goal for the total externally managed assets is set at 35%.

Emerging Managers

Many MWBE investment management firms are also considered emerging investment management firms. Emerging investment managers are firms that have less substantial assets under management or in the case of alternative investments may be a first-time fund. NYSIF is interested in emerging managers that have strong alignment of interest with their investors and expects principals of the firm to hold substantial majority of the ownership interest of the company. The primary goals for retaining emerging managers are to:

- Identify and gain early access to talented asset managers in their early business stages
- Generate strong absolute and risk adjusted returns on an after-fee basis

NYSIF defines emerging investment managers as follows:

- *Public Markets Equity and Fixed Income* – Investment managers that are limited to under $2 billion of firm-wide assets under management and must have at least $25 million of assets under management in the same investment style to be managed for NYSIF at the time of initial funding.
- *Private Equity/Debt* – Investment managers currently raising a first, second, or third fund and targeting a fund size up to $1 billion with an institutional client base.
- *Real Estate* – Investment managers currently raising a first, second, or third fund, and are targeting a fund size of less than $500 million with an institutional client base.

Structure/Procurement

NYSIF may retain MWBE managers either through direct relationships or by employing a fund-of-funds/ manager of managers program(s) that are skilled at sourcing MWBE managers. Either type of mandate must adhere to NYSIF's defined procurement procedures. Investment strategies managed by MWBE managers must be suitable for NYSIF's portfolio and fit within the approved strategic asset allocation and asset class structure, as well as the portfolio's risk and liquidity constraints.

When procuring for investment management services:

- NYSIF Staff and NYSIF's investment consultant will establish minimum criteria that will be inclusive for emerging mangers.
- NYSIF Staff and NYSIF's investment consultant will proactively identify qualified MWBE managers and notify them of pending/published request for proposals

Reporting Guidelines

On an annual basis, Staff and NYSIF's investment consultant will review this policy and provide a report to the Board of Commissioner detailing the Fund's progress towards meeting the goals set in this policy, as well as providing a review of all MWBE investment managers as it relates to performance and any issues/significant developments.

Attachment B: Private Markets and Real Estate External Investment Manager and Portfolio Guidelines

Addendum to IPS - as adopted by the Board on April 20, 2022

These guidelines outline NYSIF's approach to investment programs relating to private equity, private credit and real estate. The three asset classes discussed below are a subset of "alternative investments" within the broader concept of "Risk Assets" as those terms are used in NYSIF's Investment Policy Statement.

A. Private Markets Portfolio Investment Guidelines

The purpose of the Private Markets Program ("PM Program") is to earn risk-adjusted returns in excess of typical risk-adjusted returns on public-market assets, as has been the case historically. The PM Program is also expected to decrease the volatility of NYSIF's assets because private-market asset classes often have lowercorrelations with public-market asset classes. For the purposes of this section, "private markets" refers to private equity and private credit.

The private markets generally consist of investment vehicles structured as commingled, blind-pool, investment partnerships in which NYSIF would have a passive role as a limited partner investor. Investment commitments under the PM Program will be governed by longterm contracts that provide the general partner or sponsor a reasonable time horizon to invest capital, add value through intensive operational management, and realize the proceeds of each investment. Contractual terms are proposed by the general partner and are critical to the economic incentives and ultimate net performance of the partnerships. To strengthen the diversification benefits of the PM Program, the following guidelines will be utilized in Staff's and the investment consultant's formulation of an annual investment strategy and pacing plan for the PM Program. Because PM Program investments will likely be intermittent, any diversification targets or limits referenced below may not be achieved until a material proportion of the intended allocation of NYSIF's assets to the PM Program has been invested.

- Investment Structure: Staff may utilize the following investment vehicles within the PM Program: private limited partnerships, group trusts, limited liability companies, separate accounts, funds-of-one, secondary investments, and co- investments alongside general partners. Co-investments entail providing additional funding to specific investments being made by limited partnerships, typically at better economic terms for participating co-investors than the regular general/limited partner relationship.
- Investment Timing Risks: Building private-equity and private-credit portfolios that are broadly diversified across multiple "vintage" years should allow the PM Program to participate in the best investments at different stages of a typical business cycle. Staff may also consider purchasing partnership interests in the secondary market to shorten the effective life and to optimize the current and long-term net return of the PM Program.
- Industry Diversification: Given the blind-pool nature of most private-market investments, it is generally not feasible to target specific industry exposures. Nevertheless, Staff should generally seek to diversify the PM Program across industries by investing in multi-sector funds, sector-specific funds where warranted, and targeted co-investments as appropriate. For venture capital (and, at times, other sub-strategies), it is recognized that the best opportunities may involve a relatively small number of industries.
- Geographic and Economic Location Diversification: The PM program should seek to diversify investments across locations with different economic exposures. The PM Program will be monitored regularly to maintain prudent levels of diversification, as determined by the Staff and the investment consultant.
- General Partner Diversification: Staff will seek to work with a variety of general partners due to their specialized expertise in particular segments of the private markets and deal-flow sources. No more than 15% of the PM Program's commitments shall be invested with any individual sponsor organization without Board approval. The PM Program is permitted to own up to 100% of any particular separate account, fund-ofone, co-investment fund, co- investment vehicle, or parallel partnership, subject to the sponsor limitation above. Meanwhile, unless Board approval has been obtained, the following constraints shall apply. First, the PM Program's combined commitment to any partnership and any parallel partnership shall not represent

more than 25% of the total combined target capital commitments to the partnership and any parallel partnership. In addition, at any applicable closing, the PM Program's combined commitment to any partnership and any parallel partnership shall not represent more than 50% of the total combined cumulative capital commitments to the partnership and any parallel partnership. Finally, in the event that a partnership and parallel partnership raise more capital than the target amount, NYSIF's combined commitment to the partnership and parallel partnership shall not represent more than 25% of the total combined cumulative capital commitments to the partnership and parallel partnership.

- Alignment of Interests: Staff shall actively negotiate partnership agreements on behalf of NYSIF with a prime directive to ensure that interests of the general partner are aligned with NYSIF's and supported by all other similarly positioned limited partners. This should include a competitive fee structure and a participating interest in the investment commensurate with the risk being taken.
- Responsible Lending Principles: Staff shall establish safeguards to ensure that investments under the PM Program are made in accordance with NYSIF's responsible lending principles.
- Special Services: Staff or the investment consultant may also be required from time to time to engage specialized firms to conduct due diligence with respect to general partners or sponsors, and to manage non-cash distributions from affected investments under the PM Program.
- Legal Confirmation: For each commitment under the PM Program, Staff may retain outside legal counsel or otherwise procure expert legal advice. No commitment under the PM Program shall close without written confirmation from appropriate counsel that any documentation negotiated specifically by or on behalf of NYSIF has been satisfactorily completed.

B. Private Real Estate Portfolio Investment Guidelines

The purpose of the Real Estate Program ("RE Program") is to earn attractive risk- adjusted returns by providing stable current income and preserving investment capital. The RE Program is also expected to provide protection against unanticipated inflation and decrease the volatility of NYSIF's assets, because private real-estate investments have historically demonstrated lower correlations with other asset classes. Real estate includes property consisting of land, buildings, and property rights.

The private real-estate market generally consists of investment vehicles structured as commingled, blind-pool, investment partnerships in which NYSIF would have a passive role as a limited partner investor. Investment commitments under the RE Program will be governed by long-term contracts that provide the general partner or sponsor a reasonable time horizon to invest capital, add value through intensive operational management, and realize the proceeds of each investment. Contractual terms are proposed by the general partner and are critical to the economic incentives and ultimate net performance of the partnerships.

To strengthen the diversification benefits of the RE Program, the following guidelines will be utilized in Staff's and the investment consultant's formulation of an annual investment strategy and pacing plan for the RE Program. Because RE Program investments will likely be intermittent, any diversification targets or limits referenced below may not be achieved until a material proportion of the intended allocation of NYSIF's assets to the RE Program has been invested.

- Investment Structure: Staff may utilize the following investment vehicles within the RE program: private limited partnerships, group trusts, limited liability companies, direct and joint ventures, and co-investments alongside general partners. Co- investments entail providing additional funding to specific investments being made by limited partnerships, typically at better economic terms for participating co- investors than the regular general/limited partner relationships.
- Investment Timing Risks: Building a real-estate portfolio that is broadly diversified across multiple "vintage" years should allow the RE Program to participate in the best investments at different stages of a typical business cycle. Staff may also consider purchasing partnership interests in the secondary market to shorten the effective life and to optimize the current and long-term net return of the RE Program.
- Sector and Property Type Diversification: The RE Program shall seek diversification through investments in core, value-added, opportunistic and debt sectors. The RE portfolio may also seek

diversification by property type, not limited to investments in office, retail, multi-family, industrial and non- traditional categories such as hotels, self-storage, senior housing, and land.

- Geographic and Economic Location Diversification: The RE Program shall seek to diversify investments across locations with different economic exposures. The RE Program will be monitored regularly to maintain prudent levels of diversification, as determined by the Staff and the investment consultant.
- General Partner Diversification: Staff will seek to work with a variety of general partners due to their specialized expertise in particular segments of the real- estate markets and deal-flow sources. No more than 15% of the RE Program's commitments shall be invested with any individual sponsor organization without Board approval. The RE Program is permitted to own up to 100% of any particular separate account, fund-of-one, co-investment fund, co- investment vehicle, or parallel partnership, subject to the sponsor limitation above. Meanwhile, unless Board approval has been obtained, the following constraints shall apply. First, the RE Program's combined commitment to any partnership and any parallel partnership shall not represent more than 25% of the total combined target capital commitments to the partnership and any parallel partnership. In addition, at any applicable closing, the RE Program's combined commitment to any partnership and any parallel partnership shall not represent more than 50% of the total combined cumulative capital commitments to the partnership and any parallel partnership. Finally, in the event that a partnership and parallel partnership raise more capital than the target amount, NYSIF's combined commitment to the partnership and parallel partnership shall not represent more than 25% of the total combined cumulative capital commitments to the partnership and parallel partnership.
- Alignment of Interests: Staff shall actively negotiate partnership agreements onbehalf of NYSIF with a prime directive to ensure that interests of the general partners are aligned with NYSIF's and supported by all other similarly positioned limited partners. This should include a competitive fee structure and a participating interest in the investment commensurate with the risk being taken.
- Special Services: The Staff or the investment consultant may be required from time to time to engage specialized firms to conduct due diligence with respect to general partners or sponsors, and to manage non-cash distributions from affected investments under the RE Program.
- Legal Confirmation: For each commitment under the RE Program, Staff may retain outside legal counsel or otherwise procure expert legal advice. No commitment under the RE Program shall close without written confirmation from appropriate counsel that any documentation negotiated specifically by or on behalf of NYSIF has been satisfactorily completed.

C. Considerations, Criteria and Process for Selection of Private Markets Program

For alternative investments made under the PM Program, the Chief Investment Officer shall consider the strategic objectives of the Board as set forth in the Investment Policy Statement (including objectives relating to diversity and inclusion, ESG and responsible contracting), NYSIF's Board-approved strategic asset allocation, and the legal and economic terms of such investments.

In addition, for each prospective investment to be made under the PM Program, NYSIF Staff, in consultation with its Investment Consultant, will manage an operational and investment due-diligence review that includes, but is not limited to, the following considerations:

- the sufficiency of the legal and economic terms and of the fiduciary duty governing the investment;
- the overall portfolio needs, including the diversification benefits to the overall portfolio of the investment;
- the organization and organizational stability of the entity sponsoring, managing and/or otherwise affiliated with the investment;
- the timing and structure of potential capital calls and distributions, fees and total costs of the investment.

The Chief Investment Officer will advise and apprise the Investment Committee on the results of the review and on funding commitments. NYSIF Legal will review investment materials and information and advise the Chief Investment Officer about the favorability, legal risks, and sufficiency of the terms and provisions of an investment in accordance with the Investment Policy Statement, applicable law, and generally accepted legal standards for alternative investments.

PROPOSED MINUTES OF THE REGULAR MEETING OF
THE COMMISSIONERS OF THE STATE INSURANCE FUND
HELD ON WEDNESDAY, OCTOBER 21, 2026, AT 4:00 P.M.
AT 199 CHURCH STREET, 12 FLOOR BOARDROOM, NEW YORK, NY 10007

Board

Attendance – New York City
Kenneth Theobalds, *Chair*
Lola Brabham
Joseph Canovas
Richard Dollinger
Sean Graham
David Ourlicht
Alexis Thomas[1]

Scott Melvin, *ex officio*

Absent
Eric Dinallo, *Vice Chair*
Navneet Kathuria

Executive Staff

Gaurav Vasisht, Executive Director & CEO
Peter Cusick, Chief Operating Officer, Insurance Operations
Chad Loshbaugh, Chief Operating Officer, Business Operations
Tiffany Gordon, Acting General Attorney

Additional Staff & Guest(s)
James Andrus, Chief Deputy Investment Officer
Lauren Fisher, Deputy Director of Administration
William Gratrix, Chief Financial Officer
Melissa Jensen, Director of Policy
Jessica Silver, Director of Division of Confidential Investigations
Michael Totaro, Assistant Secretary to the Board of Commissioners

Chair Kenneth Theobalds presided. Chair Theobalds and Commissioners Lola Brabham, Joseph Canovas, Richard Dollinger, Sean Graham, David Ourlicht, Alexis Thomas, and Scott Melvin participated from NYSIF's New York City office. A quorum was announced and maintained throughout.

1. Report of Executive Director & CEO

Executive Director & CEO Gaurav Vasisht reported on two events that NYSIF recently hosted. The first was the Health and Economic Imperatives for Climate Action panel during Climate Week. He thanked the speakers: Dr. Ann Kurth, who is President of the New York Academy of Medicine and Jessica Marx, who is from the National Academy of Medicine. Additionally, he thanked the participants: S&P Global, Moody's, Goldman Sachs, New York University, Stanford University, Montefiore Health System, Ascendiun, and Health Action Alliance.

[1] Commissioner Thomas joined the meeting during Executive Session.

At the climate event, NYSIF announced the expansion of its premium credit program to help reduce greenhouse gas emissions. The program, which began with hospitals, has since expanded to include all health care, social services, and education institutions. He thanked Commissioner of Health Dr. John McDonald, Department of Environmental Conservation Commissioner Amanda Lefton, and President and Chief Executive Officer of the New York State Energy Research and Development Authority Doreen Harris for their support and encouragement. He also thanked NYSIF staff, including Melissa Jensen, Sita Fey, and Lisa Ullman, for their hard work in organizing the event.

The second event he highlighted was the first annual NYSIF Broker and Agent Forum. It was a well-attended event and had participation from Big I New York, PIANI, and members of our Producer Advisory Council. He thanked Jeremy Attie and Ziv Kimmel from the New York Compensation Insurance Rating Board for their participation in the event. Lastly, he thanked the staff that put the event together: Kerry Kirwan, Augie Bortoloni, Thomas Racko, and Jessica Silver.

Chair Theobalds congratulated Gaurav and his team on the two successful events and his continued outreach and communication to NYSIF's stakeholders and the public. These events help burnish NYSIF's reputation as a leader in the industry.

2. Report of Acting General Attorney

Acting General Attorney Tiffany Gordon stated that she would deliver her report in Executive Session, subject to a motion to enter Executive Session as it pertains to legal advice and confidential investigations.

3. Report(s) of Standing Committees

Budget & Audit Committee

Chief Financial Officer William Gratrix reported that a resolution was needed to increase the 2026 budget. Mr. Gratrix explained that when the budget was passed at the end of 2025, the assumption was that there would be a 3% salary increase for cost of living. In June of this year, the Governor and New York State unions agreed to and approved a salary increase of

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4.5% that is retroactive to April 1, 2026. This resulted in higher salaries than budgeted for and now an amendment to the budget is needed to increase it to $170.5 million, compared to the prior approved budget of $165.9 million.

Upon a motion by Commissioner Canovas, duly seconded by Commission Graham, the Board unanimously voted to approve and authorize the modification of the 2026 Workers' Compensation Fund Administrative Budget, as approved by the Resolution of the Board dated November 19, 2025, to reflect an increase in the total 2026 administrative budget from $165,902,105 to a projected total of $170,470,146. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

Governance & Legal Affairs Committee

Commissioner Melvin, Chair of the Governance & Legal Affairs Committee, reported that the committee met on October 19, 2026. The Committee received a presentation from the Division of Confidential Investigations, which will be provided in Executive Session, subject to a motion to enter Executive Session. He then turned it over to Chad Loshbaugh to discuss a resolution updating the procurement guidelines. Mr. Loshbaugh reported that in June there was an update in the law related to an agency's discretionary spending. Before the change, agencies could spend up to $50,000.00, and now the law has increased the amount to $150,000.00. Before the Board was a resolution to update NYSIF's Procurement Guidelines for investments, legal, and real estate to reflect the new statutory amount.

Upon a motion by Commissioner Dollinger, duly seconded by Commission Ourlicht, the Board unanimously voted to approve and adopt the NYSIF "Procurement Guidelines – Investments," "Procurement Guidelines – Real Estate," and "Procurement Guidelines – Legal Services & Insurance" as submitted to the Board of Commissioners on October 21, 2026. These Procurement Guidelines shall supersede the Procurement Guidelines adopted in January 2026. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

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Investments Committee

Commissioner Ourlicht, Chair of the Investment Committee, reported that the committee met on September 2, 2026, and October 7, 2026. The committee received updates on the private markets portfolio, including presentations from Avista Healthcare Partners and Acore Real Estate Credit Partners. There was one compliance issues to report for September: due to strong equities performance, the allocation to public equities exceeded the maximum permitted under the Investment Policy Statement (IPS). Investment staff is prudently rebalancing the portfolio to bring it back in compliance with the asset allocations set forth in the IPS. There were no other compliance issues to report. There were two investment procurement matters to discuss in Executive Session, subject to a motion to enter Executive Session.

Property & Administrative Services Committee

Chair Theobalds, Acting Chair of the Property & Administrative Services Committee, reported that the committee met on October 6, 2026. They received updates on various capital projects. A full report will be delivered in Executive Session as it relates to hiring of a particular corporation, subject to a motion to enter Executive Session.

4. Motion to Accept Consent Agenda

Upon a motion by Commissioner Ourlicht, duly seconded by Commission Graham, the Board unanimously voted to accept the minutes of the July 15, 2026, Board meeting and have them filed as the official minutes of the Board, as well as to accept the written reports as submitted. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

5. Executive Session

Upon a motion by Commissioner Canovas, duly seconded by Commissioner Ourlicht, the Board unanimously voted to enter Executive Session for a discussion regarding matters leading to the appointment, employment, and promotion of a particular person or corporation –

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specifically this applies to investment data analytic providers, Chief Financial Officer, and Special Investment Officer; for a discussion regarding real property, and for a discussion regarding current or future investigation or criminal prosecutions of criminal offenses. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner – Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

6. Report of the Executive Session

Assistant Secretary to the Board Michael Totaro reported that the following action took place in Executive Session:

Upon a motion by Commissioner Dollinger, duly seconded by Commissioner Graham, the Board approved and authorized staff to enter into a five-year contract with MSCI Solutions LLC for sustainability data analytics services, subject to legal review and execution by staff in accordance with the "Procurement Guidelines – Investments." The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

Upon a motion by Commissioner Dollinger, duly seconded by Commissioner Ourlicht, the Board approved and authorized the Investment Department to enter into a five-year sole source contract with Intex Solutions, Inc. to provide structured product investment analytic and cash flow systems, subject to legal review and execution by staff in accordance with the "Procurement Guidelines - Investments." The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

Upon a motion by Commissioner Dollinger, duly seconded by Commissioner Ourlicht, the Board authorizes and approves the requested salary for the following individual(s) in accordance with the memorandum submitted to the Board on October 21, 2026: William Gratrix, Chief Financial Officer. Further, the Board of Commissioners authorized the Executive Director to take

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such steps as may be necessary to implement the intent of this resolution. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

Upon a motion by Commissioner Dollinger, duly seconded by Commissioner Ourlicht, the Board authorized and approved the requested salary for the following individual(s) in accordance with the memorandum submitted to the Board on October 21, 2026: Rajith Sebastian, Special Investment Officer. Further, the Board of Commissioners authorized the Executive Director to take such steps as may be necessary to implement the intent of this resolution. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; and Chair Theobalds – yes.

Upon a motion by Commissioner Dollinger, duly seconded by Commissioner Canovas, the Board approved and authorized NYSIF staff to enter into a contract with Louis Del Prince & Sons Inc. for the construction of a parking lot located at 259 Elm Street, Buffalo, New York, subject to: (i) legal review and execution by staff, and (ii) approval by the New York State Superintendent of Financial Services. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; Commissioner Thomas – yes; and Chair Theobalds – yes.

He then announced that the next monthly Board of Commissioners' meeting is scheduled for Wednesday, November 18, 2026, at 10:00 a.m.

7. Recognition of Service for John Murdaugh

Chair Theobalds closed by the meeting by recognizing the longtime services of John Murdaugh, who is retiring from NYSIF after 30 years of services. The Chair called Mr. Murdaugh a legend. He worked hard and went the extra mile on behalf of his staff, NYSIF employees, and NYSIF as an institution. On behalf of the Board and all of NYSIF, the Chair

PROPOSED

thanked Mr. Murdaugh for his exemplary service and his dedication to NYSIF. He wished him the best in the future and stated he would be sorely missed.

Mr. Murdaugh thanked the Chair and the Board for the honor. He said NYSIF has been immensely good to him, and he tried to always remember to take care of the employees and of NYSIF. He thanked all the people he worked with over the years at NYSIF for making it such a special place.

8. Adjournment of Meeting

Upon a motion by Commissioner Thomas, duly seconded by Commissioner Ourlicht, the Board unanimously approved a motion to adjourn the Board of Commissioners of the State Insurance Fund regular monthly meeting. The vote: Commissioner Brabham – yes; Commissioner Canovas – yes; Commissioner Dollinger – yes; Commissioner Graham – yes; Commissioner Melvin – yes; Commissioner Ourlicht – yes; Commissioner Thomas – yes; and Chair Theobalds – yes.

Respectfully Submitted,

Michael Totaro, Assistant Secretary

PROPOSED

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED RESOLUTION*

The following is a proposed resolution considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026. A quorum was present throughout:

RESOLVED, that the Board of Commissioners hereby approves and adopts the New York State Insurance Fund's "Investment Policy Statement" ("IPS") as submitted to the Board and as recommended by the NYSIF Investment Committee and reviewed by staff and NYSIF's Investment Advisor. This resolution supersedes and replaces the resolution of the New York State Insurance Fund Board of Commissioners concerning the IPS dated October 30, 2025.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Commissioner Melvin			
Vice Chair Dinallo			
Chairman Theobalds			

_____
Michael Totaro
Assistant Secretary

proposed

*This proposed resolution has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED RESOLUTION*

The following is a proposed resolution considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026. A quorum was present throughout:

RESOLVED, that the Board of Commissioners hereby approves and authorizes the Investment Department for the calendar year 2027 to purchase securities or investments eligible for investments under Section 87 of the Workers' Compensation Law and to sell such securities or investments for the Workers' Compensation Fund, Disability Benefits Fund, and Aggregate Trust Fund, subject to the limitations and restrictions set forth in the Investment Policy Statement regarding asset allocation credit risks, as the same may be modified pursuant to the provisions of the Investment Policy Statement, subject to such approval by the Superintendent of the Department of Financial Services as may be required.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Commissioner Melvin			
Vice Chair Dinallo			
Chairman Theobalds			

Michael Totaro
Assistant Secretary

*This proposed resolution has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)

proposed

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026 A quorum was present throughout:

A motion was made that the minutes of the October 21, 2026 meeting be accepted and filed as the official minutes of the Board of Commissioners.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Vice Chair Dinallo			
Chairman Theobalds			

Michael Totaro
Assistant Secretary

proposed

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026. A quorum was present throughout:

Motion to accept the written reports as submitted.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Vice Chair Dinallo			
Chairman Theobalds			

Michael Totaro
Assistant Secretary

proposed

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)

KATHY HOCHUL
GOVERNOR

NYSIF
New York State Insurance Fund

PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, November 18, 2026. A quorum was present throughout:

A motion was made to adjourn the Board of Commissioners of the State Insurance Fund regular monthly meeting.

Commissioner_____provided the motion to approve

Commissioner_____seconded the motion

	YES	NO	ABSTAIN
Commissioner Kathuria			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham			
~~Commissioner Ourlicht~~			
~~Commissioner Canovas~~			
Commissioner Brabham			
Commissioner Dollinger			
Vice Chair Dinallo			
Chairman Theobalds			

Michael Totaro
Assistant Secretary

proposed

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)