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Date: November 2, 2021

TO: MEMBERS, BOARD OF DIRECTORS

I. AGENDA ITEM # AND TITLE:	Open Agenda Item 3e: Consent Calendar – Governance, Compliance and Privacy Update
II. NAME AND PROGRAM:	Lilibeth Jaballas, Vice President of Governance, Compliance & Privacy
III. ACTIVITY:	<input type="checkbox"/> Informational <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Action Proposed <input type="checkbox"/> Exploratory
IV. JUSTIFICATION:	<input type="checkbox"/> Standard/Required Item <input checked="" type="checkbox"/> Board Request – New Item <input type="checkbox"/> New Topic from Staff

V. EXECUTIVE SUMMARY:

The following standard Compliance reporting requested by the Governance Committee includes:

- 2022 Code of Conduct
- 2021 Preventing Harassment Training
- Hotline Reporting

VI. ANALYSIS:

The following summarizes compliance related activity for the period and is in alignment with the Compliance Model¹:

**A. Standards Conduct, Policies and Procedures
 Review and Approval – Code of Conduct**

We are requesting Board Approval of the 2022 Code of Conduct scheduled for publication in January 2022. **Changes to the Code include:**

- a. Call out boxes to highlight leaders’ roles and responsibilities
- b. New subsections:
 - a. Close Personal Relationship
 - b. Sustainability
- c. Index section

**Appendix II shows the Summary of Changes to the Code
 Appendix III shows the Code of Conduct**

¹ All Governance reports are grounded in State Fund’s Compliance Framework – resource USSG Ch. 8 Part B2.1(b)

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Board of Directors – November 18, 2021

Open Agenda Item 3e: Consent Calendar - Governance, Compliance and Privacy Update

B. Effective Training, Communication, and Awareness

2021 Preventing Workplace Harassment Training

The Preventing Workplace Harassment training was released in Q3 with a completion date of September 30, 2021.

Goal: 98% for employees; 100% for contingent workers

Compliance Rate: 99.9% for employees; 100% for consultants

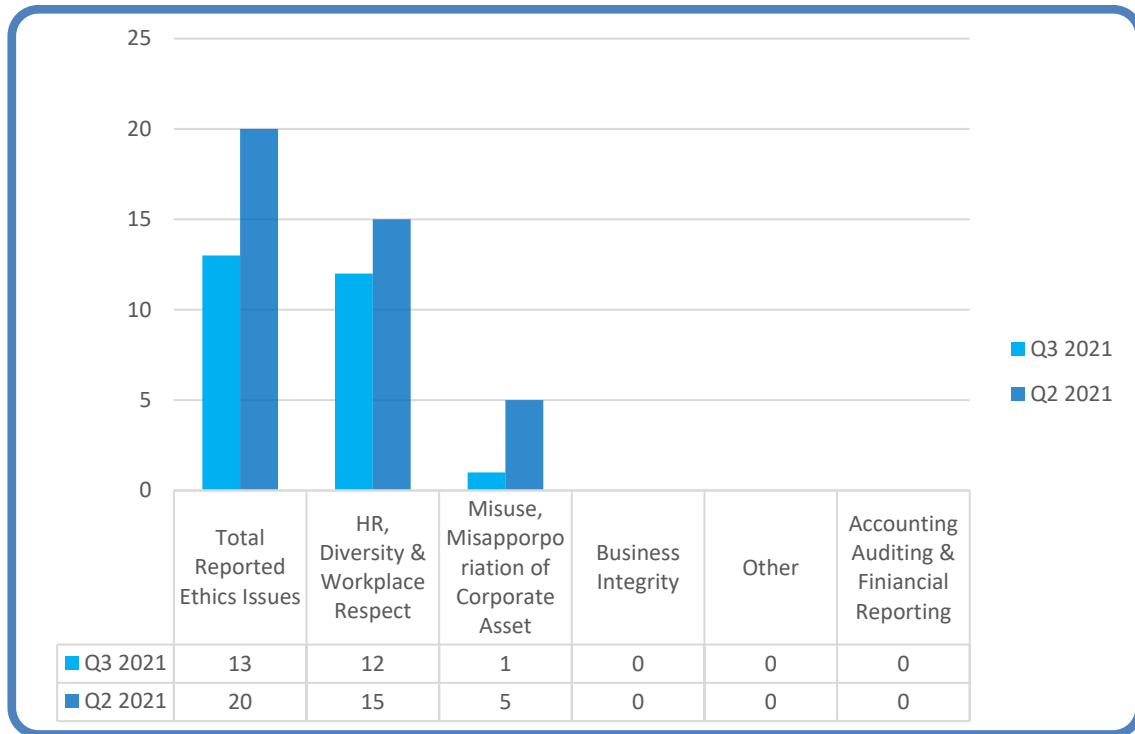
C. Consistent monitoring, evaluation & reporting

1. Hotline Reporting

Total ethics reports declined by 35% in Q3 (13) vs Q2 (20). The highest reported category continues to be HR, Diversity & Workplace Respect.

Hotline reporting slightly increased by 33% in Q3 (4) vs Q2 (3).

Chart 1: Allegations by Category



All hotline reports are submitted for review to HR Internal Investigations.

2. New Hotline Vendor

Effective October 1, State Fund has partnered with a new hotline vendor, **ComplianceLine**.

Awareness campaign for the new hotline reporting will be part of the Corporate Compliance and Ethics Week on November 7 to 13. The Corporate Compliance and Ethics Week is a weeklong celebration to communicate the importance of compliance and ethics to the organization.

VII. APPENDIX I: Report Allegation Categories and Definitions

Accounting, Auditing, and Financial Reporting: Forgery, Accounting and Financial Control

Business Integrity: Falsifying Records, Theft, Compliance and Regulatory Matters, Information Security, Vendor Relations, Claims, Policy, Legal, and Other Business Practices

HR, Diversity and Work Place Respect: Attendance, Code of Conduct Violation, Conflict of Interest, Equal Employment Opportunity-Discrimination, Retaliation and Sexual Harassment, Favoritism, Inappropriate/ Offensive Behavior, Hiring Practices

Misuse, Misappropriation of Corporate Assets: Fraud, Misuse/ Abuse of Time or Resources

Other: Types of misconduct that fails to fall into the above categories such as Safety, Assault or Environmental Protection Compliance.



APPENDIX II
DISCUSSION DOCUMENT FOR BOARD OF DIRECTORS
To be approved during Governance Open Session under agenda item 3e

Summary of Proposed Changes to
 State Compensation Insurance Fund
 2022 Code of Conduct

[Proposed for review and to be approved – recommended changes]
 Governance Committee – November 15, 2021
 Board of Directors – November 18, 2021

The following summarizes the proposed revisions to the 2022 Code of Conduct, to be adopted by State Fund’s Board of Directors.

Section	Major Revisions
Entire Code	<p>What’s New</p> <ol style="list-style-type: none"> 1. Statements throughout the Code to strengthen language around the expectations and duties for State Fund Leaders. These statements are in callout boxes with icons and reference the term, “As a leader”. 2. Close Personal Relationship Subsection 3. FAQ on taking State Fund equipment out of the country 4. Sustainability Subsection 5. Index
State Fund’s Vision, Purpose, and Core Values	<ul style="list-style-type: none"> • Added “As a leader” call out section <p style="text-align: center;"><i>As a leader, you are expected to set the tone for your staff. Your commitment to conducting your daily work with integrity helps create a culture of trust.</i></p>
Reviewing Important Points of the Code	<ul style="list-style-type: none"> • Added “As a leader” call out section <p style="text-align: center;"><i>As a leader, you must champion State Fund’s Code of Conduct and Core Values.</i></p>
How I Do What is Right	<ul style="list-style-type: none"> • Added “As a leader” call out sections <ol style="list-style-type: none"> 1. <i>Tackling tough decisions is part of your job as a leader. Your dedication to communicate and collaborate with your staff and stakeholders at all levels helps ensure your decisions are in alignment with State Fund’s Core Values.</i>



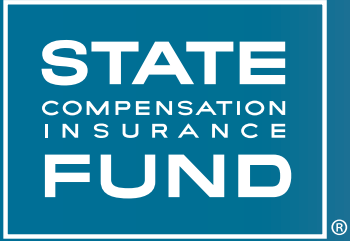
APPENDIX II
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	<p>2. <i>As a leader, you have a duty to report any concerns brought to your attention.</i></p> <ul style="list-style-type: none"> • Added a subsection to strengthen language around Incompatible Activities. <p><i>Close Personal Relationship</i> <i>State Fund strives to foster a workplace that is free from conflicts of interest. Working with someone with whom you have a close personal relationship can pose risks to you and the organization. To avoid these risks, you are expected to disclose to Human Resources any close personal relationships that you have with employees of State Fund. A close personal relationship includes, but is not limited to, an association with someone by blood, current or former marriage, adoption, and/or cohabitation. If you think you have a close personal relationship with a State Fund employee, regardless of the department they work in or if you are in their hierarchy, please notify your supervisor and Human Resources immediately.</i></p>
<p>How I Maintain a Safe and Healthy Environment</p>	<ul style="list-style-type: none"> • Added “As a leader” call out sections <ol style="list-style-type: none"> 1. <i>As a leader, you are expected to be a role model for safe practices and ensure your staff conduct their daily work in a safe manner. You have a duty to address and/or report any unsafe practices in alignment with State Fund’s Corporate Policies and Procedures.</i> 2. <i>As a leader, you should provide regular feedback to staff, and welcome and be receptive to feedback received from staff, peers, and leadership.</i> 3. <i>As a leader, you are expected to create a workplace that values diversity. Your drive to include all perspectives helps create balance and harmony for all Workforce members.</i> 4. <i>As a leader, you have a duty to report any complaints of harassment, discrimination, or retaliation to Human Resources. Leaders who fail to report such complaints may be subject to disciplinary action, up to and including termination.</i>



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<p>How I Represent State Fund</p>	<ul style="list-style-type: none"> Added “As a leader” call out section <p><i>As a leader, if traveling on State Fund business, you are expected to set the tone for other Workforce members. Your desire to be a good representative of public service, both at the office and outside of work, is a positive reflection on State Fund as an organization.</i></p>
<p>How I Use Resources Responsibly</p>	<ul style="list-style-type: none"> Added a new FAQ <p><i>Question: Can I take my State Fund equipment out of the country?</i></p> <p><i>Answer: State Fund-issued equipment may leave the country only with Executive Approval.</i></p>
<p>How I Do My Part to Keep California Working</p>	<ul style="list-style-type: none"> Added a subsection to introduce Sustainability to the Organization’s Code. <p><i>Sustainability</i> <i>At State Fund, we embrace environmental sustainability as a way to create value for our customers, employees, and communities. Our Core Values, Do What’s Right, Respect Everyone, Be Innovative and Show We Care, lay the foundation on which our sustainability efforts are based. From improving our business practices, to encouraging employees in taking action and making a positive environmental impact, we are extending our values-based commitment to being stewards of our planet.</i></p>
<p>Index</p>	<ul style="list-style-type: none"> Added an Index to help Members of the Workforce quickly search for key words and link directly to the pages.



Code of Conduct

for All State Compensation Insurance Fund
Workforce Members



2022

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MESSAGE FROM VERNON STEINER, PRESIDENT AND CEO



Dear State Fund Team,

Doing the right thing is part of who we are—it's one of our Core Values and it's central to everything we do for our customers and to making worker's compensation work in California.

But doing the right thing isn't always simple, easy, or clear. Our Code of Conduct is one of the tools we use to help us determine right from wrong. It aligns closely with all of our Core Values and is an extension of who we are and a critical piece of our State Fund culture. The Code helps us maintain the trust we've built with our policyholders, brokers, injured workers, medical providers, and regulators—as well as with each other.

Take a moment to familiarize yourself with the updated code and join me in making a commitment to continue being an honest and ethical organization we can all be proud of.

Sincerely,

Vern Steiner
President and CEO

OUR CODE OF CONDUCT

1

Defines State Fund Core Values.

2

Guides you to make honest, ethical, and right decisions at work.

3

Shows everyone State Fund's commitment to be an honest, legally compliant, and responsible company.

4

Is a living document to use in your everyday work.

STATE FUND'S VISION, PURPOSE, AND CORE VALUES

Vision

To become California's workers' compensation carrier of choice.

Purpose

State Fund's purpose is to provide fairly priced workers' compensation insurance, help make workplaces safe, and restore injured workers.

Core Values

Our core values are the guiding force for our culture and the quality of service we provide to our internal and external customers. State Fund is updating our core values to demonstrate our commitment to fulfilling our purpose and reflecting the culture fostered at State Fund.

- **Respect Everyone** – Create an environment where all people and perspectives are valued and teams work together to serve the diverse needs of California businesses.
- **Show We Care** – Listen to understand and invest the time and resources needed to help California employers and injured workers.
- **Do What's Right** – Approach every situation with a passion to help, a desire to learn and a commitment to integrity – because doing the right thing isn't always simple, easy, or clear.
- **Be Innovative** – Seek out solutions and consider new approaches to serve our customers and help improve California's workers' compensation system.

STATE FUND'S VISION, PURPOSE, AND CORE VALUES

Governing State Fund

State Fund rests on a solid business foundation where our leaders value our policies and procedures and are accountable for what they do. State Fund Governance provides the set of laws, policies, and procedures used to run our business.

The Board of Directors (Board) provides leadership to State Fund that is consistent with our purpose and core values, management philosophy, investment policy, and regulatory requirements.

The Board leads us to ensure that State Fund operates in a manner that is:



The Board has full power, authority, and jurisdiction over State Fund to perform the actions necessary to meet these goals.

Oversight is achieved through the Board of Director meetings and committees, State Fund's officers, and other members of the Executive Committee. Consistent with good corporate governance, the Board has delegated authority to the President to allow him to administer, manage, and conduct the day-to-day business and affairs of State Fund.

For the Code of Conduct, the Board:

- Authorizes having a Code of Conduct.
- Reviews and approves Code revisions.
- Approves and supports the Code's final content.
- Approves material changes to Corporate Policies supporting the Code.



As a leader, you are expected to set the tone for your staff. Your commitment to conducting your daily work with integrity helps create a culture of trust.

Maintaining Trust and Credibility

State Fund's success depends on people trusting and having confidence in us. When we do what we say we will do with honesty, integrity, and honor, we gain the trust of the public, our customers, and our employees. How successful we are as a company depends on keeping our commitments and acting honestly to reach our goals.

It is easy to set out rules at State Fund, but the proof lies in how you act every day at work. People will evaluate us on how we conduct our day-to-day business.

You must treat your job at State Fund as a public trust. To do that, you must avoid conflicts of interest and provide a good example of public service. When you make it a practice to think about and bring up your ideas to improve State Fund or your concerns about ethical conduct, you carry out your duty as a public servant and help State Fund reflect its core values. A culture of trust helps support all Workforce members in their responsibility to conduct their daily work with integrity.

REVIEWING IMPORTANT POINTS OF THE CODE

You and State Fund earn the trust of our customers and the public by making good choices and acting ethically and honestly.

Learning and following State Fund's core values and standards is part of your job.

Sharing your ideas about how to make State Fund better and reach its goals should be part of your everyday work.

When in doubt, ask for help. If you have ideas, questions, wish to discuss an issue, or want to report a possible violation, talk to your manager, or contact [AskAdmin](#). See the Appendix on page 31 for more resources.

If you wish to raise concerns or questions, you may also report anonymously by contacting the [Ethics and Privacy Hotline](#).

You play a vital role at State Fund. Your choices and ideas can make State Fund a better place to work. Championing State Fund's Code of Conduct and Core Values is how all Workforce members collectively contribute to State Fund's Culture.



As a leader, you must champion State Fund's Code of Conduct and Core Values.



HOW I DO WHAT'S RIGHT

Being Ethical & Doing the Right Thing

Ethics Decision Tree

Voicing Your Legal, Ethical, or Privacy Concerns

Improper Activities — The California Whistleblower Protection Act

Complying with Our Corporate Policies

Avoiding Incompatible Activities

Gambling

Monetary Loans

HOW I DO WHAT IS RIGHT



I follow the Code in my daily work, which gives me a foundation to make the right choices every day. I know that our success depends upon our customers having confidence in us to act with integrity and do the right thing.

Being Ethical & Doing the Right Thing

State Fund trusts you to show the highest standards of ethical and professional conduct and personal integrity when doing your job. When you make good choices that uphold our core values, you make a difference.

State Fund is dedicated to ethical, fair, and responsible competition. We do not improperly cooperate or coordinate activities with our competitors. We do not violate our ethical standards to get a certain business result. We also do not engage or help in unlawful boycotts of customers.

It is vital for the public and our stakeholders to trust the work we do at State Fund. Your drive to problem solve, make wise decisions, and your desire to do the right thing when doing your job creates this trust.

At work, you must have the courage to tackle tough decisions and make difficult choices. You can feel assured that State Fund supports your decisions when you act in good faith. Be fair in what you do, considering how others may perceive your actions. At times you may have to do more than simply what the law requires.

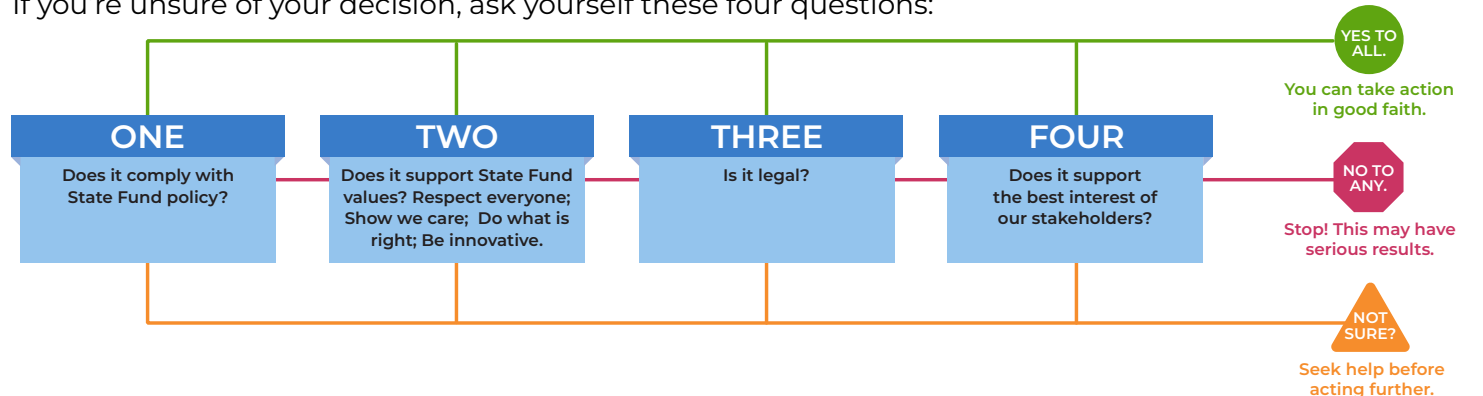
Use our Decision Tree to help you make wise and ethical decisions.



Tackling tough decisions is part of your job as a leader. Your dedication to communicate and collaborate with your staff and stakeholders at all levels helps ensure your decisions are in alignment with State Fund's Core Values.

Ethics Decision Tree

If you're unsure of your decision, ask yourself these four questions:



HOW I DO WHAT IS RIGHT

Voicing Your Legal, Ethical, or Privacy Concerns

We provide you with a “safe landing spot” if you wish to raise concerns.

If you think an action may violate the law, State Fund’s standards for ethics and core values, or policies, you have a responsibility to tell someone. You can reach out to a variety of resources for assistance.

State Fund encourages you to seek advice with supervisors or managers. You can also contact Human Resources in the following ways:

- Email Human Resources at employeerelations@scif.com
- Contact online at [AskAdmin](#),
- Call Human Resources at (800) 499-8668.

For privacy matters, including reporting suspected privacy incidents, email the Privacy Office at PrivacyOffice@scif.com or call (888) 724-3237.

Asking questions and raising concerns to improve State Fund helps uphold our integrity. It is important that you do not view actions as acting against your co-workers, managers, or department.

IMPORTANT NUMBERS

Human Resources	(800) 499-8668
Privacy Office	(888) 724-3237
Independent Ethics and Privacy Hotline	(888) 254-4301

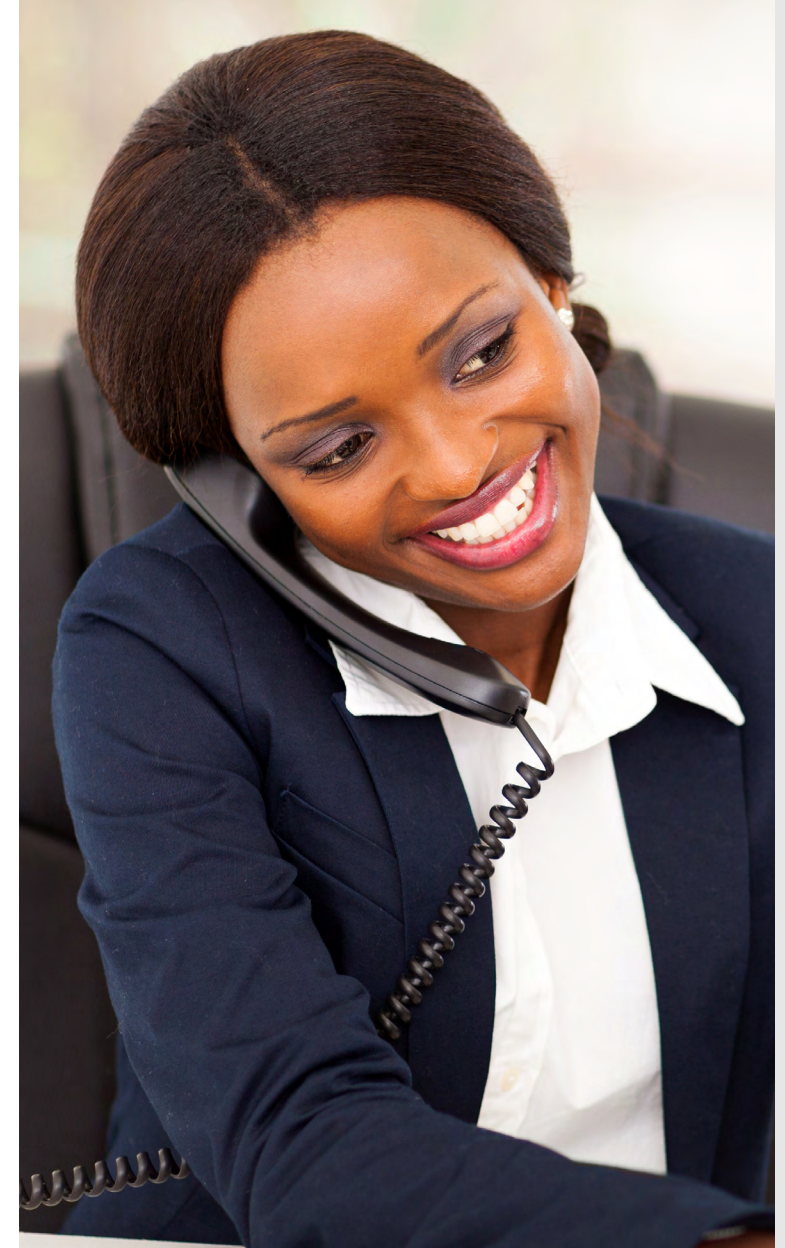
If you feel uncomfortable using these channels, you can report to our independent Ethics and Privacy Hotline by calling (888) 254-4301 or by submitting your question or concern [online](#). You can also report anonymously, if you choose.



As a leader, you have a duty to report any concerns brought to your attention.

Professional Codes of Ethics or Rules

If you have a role such as attorney, accountant, internal auditor, medical professional, compliance professional, procurement, or project management professional, you must follow codes of behavior for your profession. You must follow State Fund’s Code of Conduct in addition to other professional codes, if they apply to you.



HOW I DO WHAT IS RIGHT



Improper Activities — The California Whistleblower Protection Act

The [California Whistleblower Protection Act](#) prohibits retaliation for reporting improper activities. In California, whistleblower protection includes protection of your identity (except from law enforcement) and your right to be free from retaliation for reporting.

You may report improper activities such as theft, fraud, incompatible activities, misuse or abuse of state property, gross misconduct, and incompetence or inefficiencies by State of California employees. You can find Whistleblower Notices where other workforce notices are posted.

To file a complaint, you can contact the California State Auditor by calling the toll-free Whistleblower Hotline at (800) 952-5665, submitting your report [online](#), or sending your complaint by mail. The Act protects a reporting person's identity unless a law enforcement agency needs it to conduct a criminal investigation.

You may report retaliation for having reported improper activities to the State Personnel Board.

Complying with Our Corporate Policies

Corporate Policies set State Fund's standards for doing the right thing and for our success. They assure that our business practices line up with our vision, core values, and purpose

Your Corporate Policy Compliance Obligations

To make State Fund a successful work environment, you must consistently follow State Fund [Corporate Policies and Corporate Procedures](#). Following them furthers the best interests of State Fund, our workforce, and our stakeholders.

In your role, you should read, understand, and follow our Corporate Policies and Corporate Procedures that deal with your work role. If you have any questions, ask for help and advice.

If you fail to follow our Corporate Policies and Procedures, you may be subject to disciplinary action up to and including termination, as allowed under the California Government Code.

HOW I DO WHAT IS RIGHT

Avoiding Incompatible Activities

State Fund's Incompatible Activities Statement Policy prohibits Workforce members from taking part in actions contrary to their California civil service and State Fund employment. Our Policy aligns with the [California Government Code and Labor Code](#).

There are special provisions of the California Insurance Code ([Cal. Ins. Code § 11770\(f\)](#)) that apply to the Board that may supersede some provisions of the [Government Code](#).

State Fund's Incompatible Activities Statement Policy requires you notify Employee Relations before doing certain acts, including but not limited to:

- Doing any type of work contrary to the business interests of State Fund, such as taking a job with a competitor, supplier, or contractor that may influence the decisions you make in your State Fund job **or**
- Receiving any gift or service from anyone except the State related to performing your State Fund job **or**
- Serving as a board member for a company or organization that competes with State Fund **or**
- Hiring or supervising a **close family member** at State Fund.

Click or tap the questions [Q](#) below to see the answers [A](#).

Close Personal Relationships

State Fund strives to foster a workplace that is free from conflicts of interest. Working with someone with whom you have a close personal relationship can pose risks to you and the organization. To avoid these risks, you are expected to disclose to Human Resources any close personal relationships that you have with employees of State Fund. A close personal

relationship includes, but is not limited to, an association with someone by blood, current or former marriage, adoption, and/or cohabitation. If you think you have a close personal relationship with a State Fund employee, regardless of the department they work in or if you are in their hierarchy, please notify your supervisor and Human Resources immediately.

Outside (non-State Fund) Work by Workforce Members

You may wish to take on outside work with companies that are not our competitors, customers, or suppliers. You may wish to accept a voluntary, elected, or appointed position with a political entity. Outside work in itself is not an incompatible activity. However, you must keep your second job strictly separate from your State Fund job. If you are considering working at a job in addition to State Fund, contact [Employee Relations](#), in writing and get approval before you start the outside work.

- You may not do outside work on State Fund time, on State Fund premises, or with State Fund resources.
- You must not market or sell products or services to State Fund from the business entity related to your outside job.
- Your outside work must not interfere with or keep you from giving the time and effort needed to fulfill your duties as a State Fund Workforce member.

HOW I DO WHAT IS RIGHT

Click or tap the questions  below to see the answers .



Gambling

You may not gamble on State Fund premises. Gambling is any game of chance, contest, sweepstakes, or other form of gaming prohibited by the California Penal Code and California Business and Professions Code. Gambling activities include, but are not limited to gaming, lotteries, raffles, office pools, online betting, or where money is exchanged for a chance to win a prize.

Monetary Loans

It is an inappropriate use of your State Fund position as a supervisor, manager, or senior leader to request or accept loans from subordinates or other members of the Workforce under your influence or control.

Monetary loans between co-workers are personal, private matters and not the responsibility of State Fund. Employees are under no obligation to lend money to co-workers. If you do enter into this type of transaction, you do so at your own risk.

HOW I MAINTAIN A SAFE AND HEALTHY ENVIRONMENT

- Working in a Safe and Healthy Environment
- Being a Responsible Member of the Workforce
- Making our Workplace Equal and Diverse
- Prohibiting Harassment or Discriminatory Conduct
- Retaliation Is Prohibited and Not Tolerated
- Threats and Domestic and Workplace Violence
- Imminent Danger Threats in the Workplace
- Substance Abuse-Free Workplace
- Employee Assistance Program



HOW I MAINTAIN A SAFE AND HEALTHY ENVIRONMENT



I treat my colleagues with respect and dignity and help create a safe environment where all people and perspectives are valued. Teamwork and collaboration make us stronger, more innovative, and better able to deliver on our commitment to California businesses. I preform my daily work in a safe manner and escalate any safety concerns to management.

Working in a Safe and Healthy Environment

State Fund is committed to making the workplace safe. You must follow Health and Safety Corporate Policies and Procedures. You must report potential safety hazards or threats of violence.



As a leader, you are expected to be a role model for safe practices and ensure your staff conduct their daily work in a safe manner. You have a duty to address and/or report any unsafe practices in alignment with State Fund's Corporate Policies and Procedures.

Being a Responsible Member of the Workforce

You are a vital part of State Fund. You make State Fund a better place to work by treating others with respect and dignity. We trust you will avoid exaggeration, insulting remarks, or improper descriptions of people and other companies. When you act fairly, ethically, and responsibly at work, you reflect State Fund's core values. Your receptiveness to feedback from peers and leaders helps create a healthy environment for everyone.

If you are a leader, you must:

- Create a workplace which values doing the right thing. In any business, ethical behavior does not simply happen. It starts with the tone at the top. Leaders model by example and communicate clear and direct expectations for action.
- Promptly and correctly, address ethical concerns raised by Workforce members. Avoid viewing ethical concerns as threats or challenges to authority.
- Encourage ethical dialogue as a natural part of your daily work.



As a leader, you should:

- *Provide regular feedback to staff, and welcome and be receptive to feedback received from staff, peers, and leadership.*

HOW I MAINTAIN A SAFE AND HEALTHY ENVIRONMENT

Making our Workplace Equal and Diverse

State Fund is committed to promoting a culture that values equality, diversity and inclusion. You and each member of our Workforce provide a unique viewpoint and contribution to State Fund. A diverse and inclusive Workforce makes a more productive and fulfilling work environment for all. You and all persons who apply for work at State Fund are provided equal employment opportunity and a workplace free from discrimination, retaliation, and harassment based on a protected category.



As a leader, you are expected to create a workplace that values diversity. Your drive to include all perspectives helps create balance and harmony for all Workforce members.

Prohibiting Harassment or Discriminatory Conduct

State Fund prohibits and does not tolerate sexual harassment, discrimination, or harassment based on a person's membership, or perceived membership in a protected category. In addition, these practices are unlawful under state and federal law.

Protected category includes, but is not limited to:

- Race
- Color
- Religion or religious creed (including religion dress and grooming practices)
- National origin (including citizenship and language use restrictions)
- Ancestry
- Physical disability (including HIV and AIDS)
- Mental disability
- Medical condition (including cancer and genetic characteristics or information)
- Denial of Family Medical Care Leave
- Genetic characteristics or information
- Marital status
- Sex
- Gender (including pregnancy, childbirth, breastfeeding, and related medical conditions)
- Gender identity and expression
- Sexual orientation
- Transgender status
- Age (over 40)
- Political affiliation and
- Military or veteran status



HOW I MAINTAIN A SAFE AND HEALTHY ENVIRONMENT

Workforce members who believe they have been subjected to discrimination or harassment based on any protected category, or to sexual harassment may [file a complaint](#). State Fund's harassment-free workplace policy extends to others whom our workforce may interact with in any State Fund workplace setting, such as outside vendors, customers, professionals, job applicants, and other providers of goods or services.

Retaliation Is Prohibited and Not Tolerated

State Fund prohibits retaliation and will not tolerate persons who retaliate against anyone raising a discrimination, harassment, or sexual harassment issue or participating in the complaint process.

Retaliation for requesting a reasonable accommodation for disability or medical condition, or for religion, is also prohibited.

State Fund prohibits retaliating against or harassing a Workforce member or employment applicant who reports ethics or business conduct concerns.

State Fund employees found to have engaged in conduct that violates State Fund's Discrimination, Harassment, Sexual Harassment and Retaliation Prevention Corporate Policy or State Fund's Code of Conduct will be subject

to disciplinary action, up to and including termination. State Fund commits to take all steps necessary to prevent and correct discrimination, harassment, sexual harassment, and retaliation in the workplace.

Reporting Complaints

You may report discrimination, harassment, sexual harassment, and retaliation complaints to HR Employee Relations through the Ask Admin portal. You may also report equal employment opportunity concerns to the Equal Employment Opportunity (EEO) Program, the Internal Investigations Unit, or to a supervisor or manager.

You may report ethics or business concerns and retaliation for reporting improper activities to the [Ethics and Privacy Hotline](#).



As a leader, you have a duty to report any complaints of harassment, discrimination, or retaliation to Human Resources. Leaders who fail to report such complaints may be subject to disciplinary action, up to and including termination.

Threats and Domestic and Workplace Violence

State Fund will not tolerate violence or threatening behavior.

You must report all threats or acts of violence, including domestic violence, directed at State Fund's Workforce and/or property that may impact the workplace to the [Threat Evaluation Team](#). The Threat Evaluation Team evaluates and responds to all reported threats or acts of violence.

State Fund follows the California Labor Code, Family Code, collective bargaining agreements, and other applicable law affecting State Fund Workforce members who are victims of domestic violence. State Fund also takes part in [Workplace Violence Prevention](#) programs.

HOW I MAINTAIN A SAFE AND HEALTHY ENVIRONMENT



Imminent Danger Threats in the Workplace

Imminent danger means that you must believe that death or serious physical harm could occur at the time of a threat.

If you believe there is an imminent danger to you or other people, call 911, or contact local law enforcement.

After notifying law enforcement, report the threat immediately to local management and to State Fund's [Threat Evaluation Team](#).

Substance Abuse-Free Workplace

Substance abuse seriously threatens the safety, health, and productivity of our business, Workforce members, and customers. State Fund has a zero tolerance policy for drug and alcohol impairment while employees are at the worksite.

The State of California's policy in [California Code of Regulations Title 2, Rule 599.960](#) states that workplaces should be free from the effects of substance abuse. This avoids dangers that come from substance abuse in the workplace. Dangers can include death and injury to you, co-workers, or the public from accidents, poor judgment, and carelessness.

IMPORTANT NUMBERS

Imminent Danger	911
Employee Assistance Program	(800) 339-2099
Ethics and Privacy Hotline	(888) 254-3401

Employee Assistance Program

At times, a personal issue or problem may interfere with your work-life balance. The State Fund [Employee Assistance Program](#) (EAP) gives you a confidential and free service to help you or your family members. They provide professional review and referrals to services needed and help solve problems. EAP also supports State Fund managers by providing them with an expert resource.

The Employee Assistance Program toll-free telephone number is (800) 339-2099.

HOW I REPRESENT STATE FUND

Functions Involving Alcohol

Financial Disclosures and the Statement of Economic Interests – Form 700 (SEI)

Gifts

Personal Interest Disqualification

Upholding the Law

HOW I REPRESENT STATE FUND



I understand that how I conduct myself, both at the office and outside of work, reflects on State Fund as an organization. It's my responsibility to understand how my role ultimately affects our customers.

As a representative of this organization, it is important to make good choices that uphold our core values.

Remember to:

- *Act professionally while traveling on State Fund business, during or after office hours.*
- *Do not place yourself in situations that might result in diminished decision-making capacity.*
- *Exercise good judgement.*
- *Behave respectfully toward vendors, injured workers, policyholders, and others with whom we do business.*
- *Avoid behaviors that pose a conflict of interest, or raise ethical or discriminatory concerns.*



As a leader, if traveling on State Fund business, you are expected to set the tone for other Workforce members. Your desire to be a good representative of public service, both at the office and outside of work, is a positive reflection on State Fund as an organization.

Functions Involving Alcohol

There may be events you attend as a State Fund Workforce member where alcoholic beverages are available. In these instances, you are responsible for your conduct, must make your own decisions about alcohol consumption, and follow all appropriate laws.

Consumption of alcohol in excess or to the level of intoxication defined by California law is never acceptable or condoned and is prohibited at these events.

Financial Disclosures and the Statement of Economic Interests – Form 700 (SEI)

The California Political Reform Act and State Fund's Conflict of Interest Code require certain members of State Fund's Workforce to file yearly financial disclosures. Statements of Economic Interests, Schedules, and ethics course certificates can be disclosed to the public.

HOW I REPRESENT STATE FUND

For more information about annual disclosure requirements, contact the Fair Political Practices Commission (FPPC) Information line at (866) 275-3772; visit the FPPC [website](#); or visit the California Department of Justice, Office of the Attorney General [website](#).

Click or tap the questions  below to see the answers .

Real or apparent conflicts can reduce the trust our customers and the public have in State Fund. Conflicts can also increase our legal risks and hurt our reputation. You must follow Federal and California laws that affect your work-related activities.

You must avoid situations that create, or appear to create, a conflict between your personal interests and State Fund interests. When a potential conflict arises, you must disclose it to your manager and to Employee Relations right away.

Gifts

State Fund follows:

- The Fair Political Practices Commission (FPPC) regulations Article 10 of the California Government Code
- Labor Code Section 3219 (Claims Adjusters, only)
- Our Incompatible Activities policy related to gifts

Individual departments at State Fund may adopt more restrictive rules for acceptance of gifts based on their role. Check with your supervisor or manager when you have questions about gifts.

FPPC regulations define gifts as: any payment or other benefit provided to you that confers a personal benefit for which you do not provide payment or services of equal or greater value. Gifts include a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public.

The FPPC requires that you must report gifts over \$50 from one source. You may not accept more than \$520 in gifts during one calendar year from one source. You may take no more than \$10 a month from lobbyists or legislative employees. Contact [Employee Relations](#) with your questions. You may also report internally to the Employee Relations Department through the [AskAdmin Portal](#).

HOW I REPRESENT STATE FUND

You can also find more information at the [Fair Political Practices Commission's website](#).

Claims adjusters must follow special rules contained in Labor Code Section 3219. The Labor Code prohibits you from taking a benefit that may look like a reward for referring or settling a claim. Therefore, you may not take any gift from injured workers, doctors, applicant attorneys, or other vendors of services for injured workers.

Click or tap the question  below to see the answer .

Personal Interest Disqualification

At times, to avoid a conflict of interest or the appearance of it, you must remove yourself from making a decision or a contract process based on personal interest.

You must disqualify yourself from making, taking part in, or trying to use your position to influence a State Fund decision when you know or should know you have a personal interest in the outcome that differs from State Fund's interest.

State Fund strives to be fair, efficient, and neutral when making contracts. You must never give friends or family members an unfair or seemingly unfair advantage in the contracting process. This means you should:

- Remove yourself from considering or evaluating a business proposal made to State Fund by friends or family members.
- Never try to divert State Fund business opportunities to friends or family.
- Never provide friends or family members insider information that the public does not have to assist them in obtaining work from State Fund.
- Avoid even the appearance of impropriety or favoritism in contracting matters.
- Seek guidance of management or Employee Relations if you have any questions about business-related conduct.

When to Disqualify Yourself from Decision-Making or Contracting

State Fund Workforce members must disqualify themselves from making decisions or contracts when taking part in that process would violate the law, our Corporate Policies, or Code of Conduct.

Potentially disqualifying situations include:

- Decisions in which you know or should know you have a personal financial interest **or**
- Decisions related to a State Fund contract in which you have any type of personal direct or indirect financial interest **or**
- Decisions related to a State Fund contract where you or an immediate family member also has an outside business relationship with a party to that contract which:
 - Gives you better terms than members of the public get.
 - Is worth \$1,000 or more **and**
 - Your decision is made within the 12 months prior to State Fund's decision **or**
- Decisions made for State Fund where the decision relates to or affects a person or entity with whom you:
 - Are negotiating for a job or
 - Will be employed with in the future

California law defines the above situations. If a conflict exists between our Code of Conduct and California law, California law controls.

HOW I REPRESENT STATE FUND

Reporting Failures to Disqualify

If you believe a Workforce member failed to disqualify himself or herself when needed, you can report anonymously to the Ethics and Privacy Hotline at (888) 254-4301 or [online](#).

You also can report confidentially and anonymously to the [California State Auditor](#).

You may also report internally to the Employee Relations Department through the [AskAdmin Portal](#).

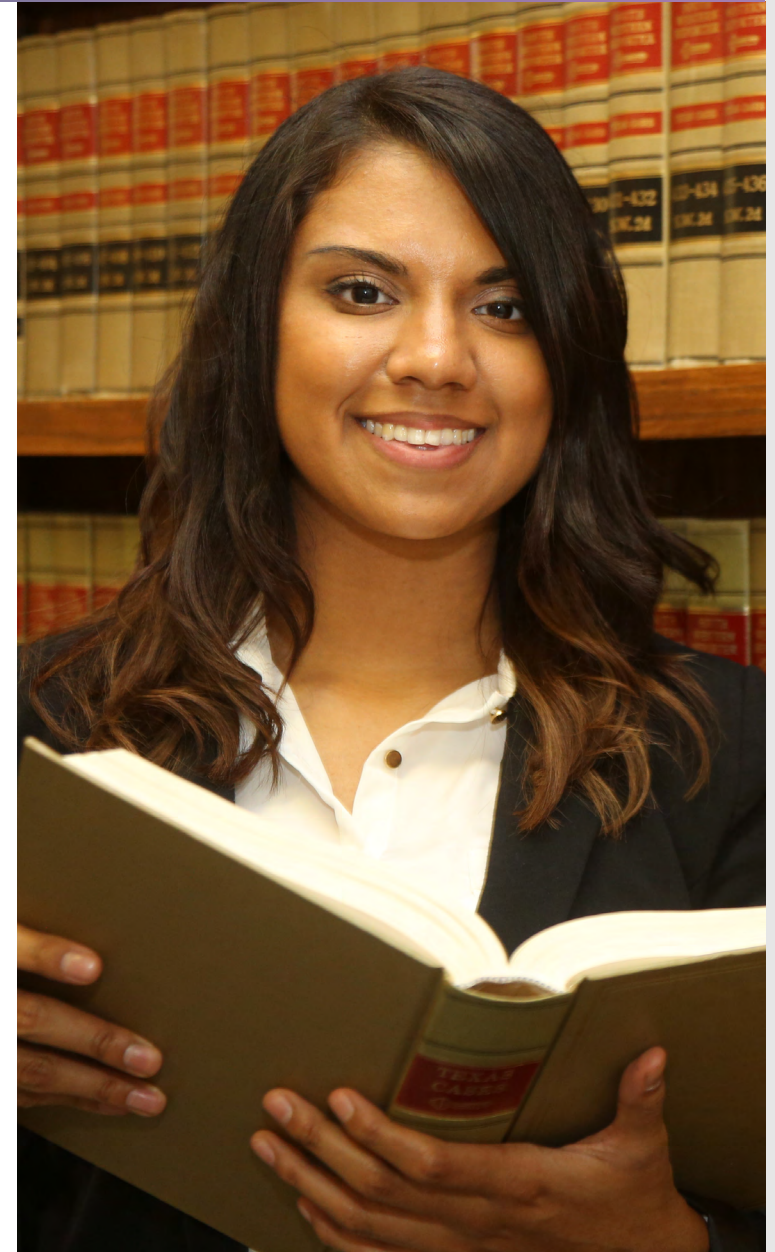
Upholding the Law

When you know and follow laws and rules that apply to your job at State Fund, you support our commitment to integrity. Laws and rules affect all State Fund business activities.

If you feel unsure about your legal duties, seek advice from Resources on page 31. When you raise a concern, State Fund will address it. You have a duty to speak up if you notice possible legal violations and to cooperate during investigations.

State Fund has many laws to follow. For example, the information in our financial records, statements, and reports must accurately reflect our financial condition, be prepared in accord with laws and statutory accounting practices, and be filed timely. State Fund Officers must attest that our financial reports are accurate and complete when issuing them.

State Fund also complies with Collective Bargaining Agreements (CBAs) and labor laws. State Fund's Employee Relations Department collaborates with CalHR and labor organizations to negotiate CBAs that pertain to State Fund employees.



HOW I USE RESOURCES RESPONSIBLY

Using State Fund Resources

Using State Fund Information Systems

Protecting and Respecting Information

Respecting the Works of State Fund and Others

HOW I USE RESOURCES RESPONSIBLY



I exercise good judgement when using State Fund resources such as supplies, computers, telephones, internet access, and printers, and am committed to guarding against waste and abuse.

Using State Fund Resources

State Fund resources, including time, material, equipment, and information, are for State Fund business use. You are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for their department's resources and should resolve issues about their proper use. If you have questions about the proper use of State Fund resources, go to management or Employee Relations.

Click or tap the question  below to see the answer .



HOW I USE RESOURCES RESPONSIBLY

Using State Fund Information Systems

[State Fund's Annual Proprietary System Notice and Acknowledgement](#) provides you guidance on how to use State Fund electronic information systems. Each year, you must acknowledge this notice.

Our information systems include computer equipment, internet, email, computer software, data, databases, electronic files, telephones, voice mail, fax machines, wireless devices, and any other similar information technologies that State Fund currently uses or may use in the future. Apart from minimal and incidental use permitted by law, contract, or specific management exception, you must use State Fund systems exclusively to conduct State Fund business.

State Fund may monitor its systems. You should not expect privacy regarding use, including personal use of State Fund Information Systems.

You also have a duty to protect personal and confidential information about our Workforce, policyholders, claimants, and third parties. You must not access or use confidential information available to you due to your work at State Fund for personal gain.

Click or tap the questions  below to see the answers .

Protecting and Respecting Information

The [California Constitution](#) says every person has an inalienable right to privacy. Because we process and use private information in our work every day, you have the daily responsibility to think about privacy and information security.

You are entrusted to protect personal information we own, maintain, or send to others in our daily work. Protecting information also means collecting or sending out only the personal information needed for doing business. Our obligation extends to personal information we send to vendors and other third parties who help us conduct business.

What is Personal Information?

Personal information in California is any information that identifies, relates to, describes, or is capable of being associated with a particular person, including but not limited to:

- His or her name
- Signature
- Social security number
- Physical characteristics or description
- Address
- Telephone number
- Passport number, driver's license number, or state identification card number
- Financial account numbers or any other financial information
- Medical information
- Health insurance information
- Insurance policy or claim number
- Education, employment, or employment history.

HOW I USE RESOURCES RESPONSIBLY

Personal information **does not** include:

- Publicly available information lawfully made available to the general public from federal, state, or local government records.

Only access, give out, or discuss personal information if you have an authorized business reason to do so. Preventing unauthorized release of personal information helps protect State Fund and our stakeholders.

Click or tap the question  below to see the answer .

You are accountable to restrict release of personal information to authorized individuals under California and Federal laws and State Fund's Policies.

To report a suspected privacy incident, contact the Privacy Office directly by calling (888) 724-3237 or emailing to PrivacyOffice@scif.com. You may also raise your concerns anonymously by calling the Privacy Hotline toll-free anytime at (888) 254-4301 or [online](#). We will provide you with a "safe landing spot" if you wish to report incidents or raise questions or concerns.

The Privacy Office provides you with resources for privacy protection.

Respecting the Works of State Fund and Others

State Fund protects and keeps private its trade secrets and proprietary information up to the maximum extent allowed by law. State Fund does not infringe on the copyright interests, trademarks, or patented works (processes, machinery, or designs) of third parties.

Copyright is:

- An exclusive right of ownership to an original creative work by its author, including the right to display, perform, distribute, and make copies of the work.
- The right of the owner to protect their work from unauthorized or unlicensed use.
- Protected by the U.S. Constitution and U.S. Copyright Law.

Works are automatically copyrighted whether or not the author registers the copyright or whether the work bears the word "copyright" or the "©" symbol.

Before you use or send other's material or images that may be copyrighted, trademarked, or patented, contact the Governance department at Copyright@scif.com to make sure you have the permission to do so.

The Copyright Office provides resources about copyrights and how to obtain permission to use the creative works of others.

Before you release any personal information, you must:

- Verify who the person is **and**
- Confirm the person is authorized to get that information **and**
- Follow State Fund's procedures for releasing information.

HOW I DO MY PART TO KEEP CALIFORNIA WORKING

Sustainability

Sharing Your Ideas

Transparency — California Public Records Act

Transparency — Bagley-Keene Open Meeting Act

Workers' Compensation Fraud



HOW I DO MY PART TO KEEP CALIFORNIA WORKING



I invest the time and resources needed to seek out solutions to help California businesses and injured workers. I am committed to continually doing my best for our customers.

Sustainability

At State Fund, we embrace environmental sustainability as a way to create value for our customers, employees, and communities. Our Core Values, Do What's Right, Respect Everyone, Be Innovative and Show We Care, lay the foundation on which our sustainability efforts are based. From improving our business practices, to encouraging employees in taking action and making a positive environmental impact, we are extending our values-based commitment to being stewards of our planet.

Sharing Your Ideas

When you raise ideas to make State Fund a better place or bring up questions to help prevent making mistakes or wrong choices, it benefits State Fund.

If you are a leader:

- Set the tone and create an open environment so others feel at ease raising their concerns.
- Consider if it is appropriate to move employee ideas forward and do so whenever possible.

Many departments also have ways to share ideas, such as physical or electronic suggestion boxes.

You can also share ideas or raise concerns anonymously, without fear of retaliation, through hotlines on page 31 or [online](#).

Transparency — California Public Records Act

State Fund is committed to complying fully with the California Public Records Act (CPRA) and other laws governing the disclosure of records. We must follow the law by responding when anyone submits a public records request to us. State Fund authorizes only the [Public Records Office](#) (PRO) to evaluate, respond to, and manage State Fund's public record requests. Since public records requests have important time limits, make sure to send requests you may get to our PRO right away.

You as an employee can also request public records from State Fund under CPRA. State Fund cannot retaliate if you exercise these rights.

HOW I DO MY PART TO KEEP CALIFORNIA WORKING



Transparency — Bagley-Keene Open Meeting Act

State Fund is subject to the Bagley-Keene Open Meeting Act. This act makes certain meetings open to the public, such as meetings of the Board and the Board Committees of Audit, Governance, and Investment. Having open meetings helps keep government accountable and transparent and protects citizens' rights to take part in state government.

You have the same rights as the public under the Act. State Fund cannot retaliate if you exercise these rights.

Workers' Compensation Fraud

You can report suspected workers' compensation fraud by policyholders, injured workers, vendors, or State Fund Workforce members by calling (888) 786-7372 or by filing a [TIP report](#) through State Fund's Special Investigation Unit's internal website.

ACKNOWLEDGING AND SUPPORTING THE CODE AND RELATED POLICIES

State Fund requires you to certify electronically that you read, understand, and will follow State Fund's Code of Conduct and its supporting Policies.

Failing to support the Code of Conduct including its related Policies and completing the acknowledgement, may result in referral for disciplinary action up to and including termination.

You are responsible for reporting and cooperating with investigations of any Code or Policy violations. State Fund promptly investigates all reports of violations.

See the Governance site for the [Corporate Policy Library](#).



APPENDIX - RESOURCES

1 HOTLINES

State Fund Ethics and Privacy Hotline	(888) 254-3401 https://app.mycompliancereport.com/report?cid=scif This website operates more efficiently in the Chrome browser.
Workers' Compensation Fraud	(888) 786-7372
California State Auditor Whistleblower Hotline	(800) 952-5665

2 KEY STATE FUND POLICIES SUPPORTING THE CODE

CORPORATE POLICY	POLICY TYPE	POLICY NUMBER
Privacy & Confidentiality	Ethics Compliance & Fraud	EC&F 2.0
Complaint Reporting & Anti-Retaliation	Ethics Compliance & Fraud	EC&F 2.1
Incompatible Activities	Ethics Compliance & Fraud	EC&F 2.2
Business Ethics	Ethics Compliance & Fraud	EC&F 2.3
Statement of Economic Interests & Financial Disclosure	Ethics Compliance & Fraud	EC&F 2.4
Use of State Fund Facilities for Non-Business Use	Ethics Compliance & Fraud	EC&F 2.7
Discrimination, Harassment, Sexual Harassment, and Retaliation Prevention	Human Resources	HR 4.1

APPENDIX - RESOURCES

3 STATE FUND DEPARTMENTS

DEPARTMENT	CONTACT FOR	PHONE/EMAIL	INTERNAL WORKSITE PAGE
Employee Assistance Program	Confidential access, assessment, & referral to professional assistance for problem resolution	(800) 339-2099	https://worksite.scif.com/docs/DOC-6865
Equal Employment Opportunity	Diversity, Discrimination and Reasonable Accommodation Issues	eeo@scif.com	https://worksite.scif.com/docs/DOC-6778
Governance	State Fund Corporate Policies & Procedures; Copyright; State Fund Charter; Governance Guide	(888) 724-3237 corporatepolicies@scif.com , copyright@scif.com	https://worksite.scif.com/community/governance-compliance-privacy/pages/governance
Internal Audit	Proper use of State Fund resources	(707) 624-4583	https://worksite.scif.com/community/internal-audit-department
Enterprise Security	Proper use of information systems	EnterpriseSecurity@scif.com	https://worksite.scif.com/community/enterprise-security
Privacy Office	Privacy & Confidentiality questions	(888) 724-3237 (office) (866) 294-1742 (Privacy incident hotline) PrivacyOffice@scif.com	https://worksite.scif.com/community/governance-compliance-privacy/pages/privacy
Public Records Office	Records requests made under the CA Public Records Act	(888) 724-3237 publicrecords@scif.com	https://worksite.scif.com/docs/DOC-5124
Real Estate Management Services	Threat Reporting	(925) 523-5219 Imminent danger: 911 threatmanagement@scif.com	https://worksite.scif.com/docs/DOC-7395
Special Investigation Unit	Workers' Compensation Fraud	(888) 786-7372 (323) 266-5138	https://worksite.scif.com/community/special-investigation-unit

APPENDIX - RESOURCES

4 STATE AGENCIES

DEPARTMENT	CONTACT FOR	PHONE/EMAIL	WEBSITE
Attorney General's Office/ California Department of Justice	Statements of Economic Interests, Ethics	PO Box 944255 Sacramento, CA 94244 (800) 952-5225	www.oag.ca.gov
California State Auditor Bureau of State Audits	Whistleblower complaints	555 Capitol Mall, Suite 300 Sacramento, CA 95814 (916) 445-0255	www.bsa.ca.gov
Department of Insurance	Insurance complaints	Consumer Communications Bureau 300 South Spring St., South Tower Los Angeles, CA 90013 (800) 927-4357	www.insurance.ca.gov
Fair Political Practices Commission	Statements of Economic Interests	428 J Street, Suite 620 Sacramento, CA 95814 (866) 275-3772	www.fppc.ca.gov
State Personnel Board	Whistleblower Retaliation complaints	801 Capitol Mall Sacramento, CA 95814 (916) 653-0799	www.spb.ca.gov

5 CALIFORNIA LAWS

LEGAL RESOURCE	LINK
California Constitution and Laws	Website Link
Incompatible Activities – all employees	California Government Code (Section 19990)
Incompatible Adjuster Activities	Labor Code (Section 3219)
California Regulations	Website Link

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