



Performance, Compensation & Talent Management Committee Meeting Summary

April 14, 2026

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Performance, Compensation & Talent Management Committee met on April 13, 2026. While there were no action items at yesterday's meeting, there is one action item from the February meeting that the Committee approved but was not ratified by the Board, and that we now need to take action on. This pertains to revisions to the Compensation Policy that staff prepared to align with AB 692's new legal requirements regarding repayment terms and obligations that take effect this year. And so, with that:

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- AGENDA ITEM 4e from the February PCTM Committee Agenda:
Revisions to the Board's Compensation Policy for Executive and Investment Management Positions to comply with Assembly Bill 692 (Kalra, Chapter 703, Statutes of 2025), including updated repayment requirements for recruitment differential payments.

The Committee received reports on the following topics:

- Aligning Incentives Through a Total Portfolio Approach
- Annual Review: 2026-27 Incentive Metrics

The Chair directed staff to...

- Provide additional information regarding restrictions on the CEO and CIO providing input on incentive programs.

The Committee heard public comment on the following topics:

- Incentive metric and reward structures, acceptable levels of performance for incentive payouts, and conflict of interest laws

At this time I would like to share some highlights of what to expect at the June 2026 Performance, Compensation & Talent Management Committee meeting:

- The Committee will review the 2026-27 incentive metrics and the 2026-27 incentive plan of the Chief Executive Officer

The next meeting of the Performance, Compensation & Talent Management Committee is scheduled for June 16, 2026, in Sacramento, California.