



September 15, 2025

Governor Mike DeWine
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215-6117

Dear Governor DeWine:

Per section 4123.446 (B) of the Ohio Revised Code, the Ohio Bureau of Workers' Compensation (BWC) respectfully submits our annual minority business enterprise investment report.

Background

As a result of the BWC Board of Directors' decision in June 2017 to change the State Insurance Fund (SIF) Minority-Owned and/or Women-Owned (MWBE) portfolio from an active management MWBE strategy to a passive management MWBE strategy, the Investment Division issued an RFP for MWBE Passive Index Management Services. After reviewing the two eligible RFP respondents, the BWC Board of Directors approved RhumbLine Advisers (based in Boston) on Aug. 25, 2017, as the exclusive finalist passive index manager of the MWBE Large Cap U.S. Equity Passive Indexed mandate for the SIF. This mandate is targeted for a 1% allocation within the SIF portfolio.

Funding and Redemptions

RhumbLine Advisers was funded on Dec. 1, 2017, as a passive MWBE investment manager for the SIF portfolio that totaled approximately \$251 million allocated to Large Cap U.S. Equities benchmarked to the Russell Top 200 Index. During Fiscal Year 2025, there was no redemption from the RhumbLine account.

Fiscal Year Ending June 30, 2025, Results

For the Fiscal Year 2025 period ending June 30, 2025, the MWBE passive program performance return for the SIF portfolio was +15.74% net of fees vs. the Russell Top 200 benchmark index of + 15.78%.

For the period from its inception date of Dec. 1, 2017, through June 30, 2025, the SIF MWBE passive program has provided an annualized return of +14.90% net of fees vs. the Russell Top

200 benchmark index of +14.43%. Our MWBE program's net asset value as of June 30, 2025, is \$282 million, representing 1.43% of total SIF investment assets as of June 30, 2025. In efforts to increase utilization of the SIF MWBE program, we further invest all current dividend income (approximately \$3.2 million) in Fiscal Year 2025 back into the SIF MWBE mandate while remaining consistent within the SIF Investment Policy Statement guidelines.

Sincerely,



Stephanie McCloud

Administrator/CEO

Ohio Bureau of Workers' Compensation

cc: General Assembly via Legislative Services Commission