



APFC

ALASKA PERMANENT
FUND CORPORATION

Board of Trustees

Ethics, Audit & Cybersecurity Committee Meeting

May 28, 2026

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Board of Trustees Ethics, Audit & Cybersecurity Committee Meeting May 28, 2026

7:30 a.m. – 11:05 a.m.

**Valdez Convention & Civic Center
314 Clifton Drive, Valdez**

Teams Webinar Access (click [here](#) to join)

Teleconference Option

Phone: 323-792-6284

Phone Conference ID: 281 094 303#

AGENDA

Thursday, May 28, 2026

- 7:30 a.m. CALL TO ORDER
- ROLL CALL (Action)
- APPROVAL OF AGENDA (Action)
- APPROVAL OF MINUTES (Action)
- September 4, 2025 Ethics, Audit & Cybersecurity Committee Meeting Minutes
- OPPORTUNITY FOR PUBLIC PARTICIPATION
- 7:40 p.m. FY26 KPMG AUDIT PLAN AND RISK ASSESSMENT (Information)
 Melissa Beedle, Managing Director, KPMG
 Beth Stuart, Engagement Partner, KPMG
- 8:10 a.m. FY26 YEAR-TO-DATE FINANCIAL STATEMENT REVIEW (Information)
 Jacki Mallinger, Senior Portfolio Accountant II
 Valerie Mertz, Chief Financial Officer
- 8:30 a.m. CYBERSECURITY AUDIT (Information)
 Executive Session
 Rahul Kohli, Principal, KPMG
 Venoth Lal, Director, KPMG
 Ryan McGurgan, Manager, KPMG
 Andrew McGregor, Manager, KPMG
 Scott Balovich, Director of Information Technology
- 9:30 a.m. IT SECURITY FRAMEWORK (Information)
 Executive Session
 Sebastian Vadkumcherry, Chief Risk & Compliance Officer
- 10:00 a.m. ETHICS UPDATE (Information)
 Possible Executive Session
 Chris Poag, General Counsel
 Deven Mitchell, Chief Executive Officer

10:45 a.m. AUDIT COMMITTEE SELF-ASSESSMENT (Information)
 Ryan Anderson, Committee Chair
 Valerie Mertz, Chief Financial Officer

11:00 a.m. OTHER MATTERS / FUTURE AGENDA ITEMS / TRUSTEE COMMENTS

11:05 a.m. ADJOURNMENT

| |
|--|
| <p><i>NOTE: TIMES MAY VARY AND THE CHAIR MAY REORDER AGENDA ITEMS (Please telephone Jennifer Loesch at 907.796.1519 with agenda questions.)</i></p> |
|--|

SUBJECT: Approval of Minutes

ACTION: X

DATE: May 28, 2026

INFORMATION:

BACKGROUND:

Staff reviewed the following Ethics, Audit & Cybersecurity Committee meeting summary minutes. Draft copies are attached for your approval.

- September 4, 2025

RECOMMENDATION:

The Chair of the Ethics, Audit & Cybersecurity Committee should ask whether any member has any questions or corrections regarding the minutes from the September 4, 2025 Ethics, Audit & Cybersecurity Committee Meeting. If there are not corrections, The Committee Chair should announce, “that there being no corrections the minutes are hereby approved”. A formal motion to approve the minutes is not required under §41 of Robert’s Rules of Order.

**ALASKA PERMANENT FUND CORPORATION
BOARD OF TRUSTEES ETHICS, AUDIT & CYBERSECURITY COMMITTEE
MEETING**

Held at:
801 W 10th Suite 302
Juneau, AK 99801
September 04, 2025

Trustees Present:

Ryan Anderson. Committee Chair
Ethan Schutt
Jason Brune

APFC Staff Present:

| | |
|-------------------------|---------------------|
| Val Mertz, CFO | Deven Mitchell, CEO |
| Marcus Frampton, CIO | Pauly Swanson |
| Sebastian Vadakumcherry | Shannon McCain |
| Jacki Mallinger | Jennifer Loesch |
| Larissa Murray | Julliette Alldredge |
| Jessica Thomsburry | Steve Adams |
| Cody Graves | Chris LaVallee |
| Scott Balovich | Alexander Smith |
| Henry Lloyd | Lesley Creswell |
| Allen Waldrop | Ross Alexander |
| Norix Mangual | Sarah Struble |
| Marisa McComas | Cassandra King |
| Eric Ritchie | Joseph Jerals |
| Sarah Clark | Jordyn Perletti |
| Chris Poag | Heather Pedersen |
| Damien Miller | |

KPMG Staff Present:

Melissa Beedle
Beth Stuart

Public:

| | |
|---------------------|---------------|
| Brenda Hentschel | Larry Smith |
| Aurora Hauke | Paige Brown |
| Sophia Torres | Julee Farley |
| Benjamin Hofmeister | Angel Whitney |
| Amory Lelake | |

CALL TO ORDER

COMMITTEE CHAIR RYAN ANDERSON called the September 4, 2025, meeting of the Alaska Permanent Fund Corporation's (APFC) Ethics, Audit & Cybersecurity Committee to order at 9:01 a.m. He confirmed the meeting was being conducted virtually and was open to the public via webinar and teleconference.

CHAIR ANDERSON opened with remarks acknowledging the committee's expanded scope beyond financial audit oversight, a change initiated on September 26 of the previous year, and noted the importance of the conversations to follow.

ROLL CALL (Action)

JENNIFER LOESCH conducted the roll call. TRUSTEE JASON BRUNE, TRUSTEE ETHAN SCHUTT, and CHAIR ANDERSON were present. A quorum was established.

APPROVAL OF AGENDA (Action)

TRUSTEE BRUNE moved to approve the agenda. TRUSTEE SCHUTT seconded the motion.

CHAIR ANDERSON asked if there were any proposed changes or discussion. Hearing none, the agenda was approved by consent.

APPROVAL OF MINUTES (Action)

The minutes from the May 28, 2025, committee meeting were presented for approval.

TRUSTEE SCHUTT moved to approve the May 28, 2025, committee meeting minutes. TRUSTEE BRUNE seconded the motion.

Hearing no corrections or concerns, the minutes were approved as presented.

OPPORTUNITY FOR PUBLIC PARTICIPATION

CHAIR ANDERSON opened the floor for public comment. J. LOESCH confirmed that no members of the public had indicated a wish to provide testimony. The public comment period was closed.

KPMG AUDIT REPORT (Information)

LEAD AUDIT PARTNER BETH STUART and AUDIT MANAGING DIRECTOR MELISSA BEEDLE of KPMG presented the FY25 audit report.

B. STUART reported that KPMG had completed its audit procedures and was prepared to issue an unmodified, or "clean," opinion on the APFC's financial statements. She confirmed that the audit

was executed according to the plan presented to the committee in May 2025, with no changes to the risk assessment, strategy, or timeline.

B. STUART highlighted several key communications required under professional standards:

- No non-compliance with laws or regulations was identified.
- There were no significant discussions or disagreements with management, and she praised the APFC finance team for its cooperation and responsiveness.
- No challenging accounting topics required external consultation, and no illegal acts or fraud were identified.
- No deficiencies in internal control were found.
- There were no changes in accounting policies, and all disclosures were deemed to meet the requirements of Generally Accepted Accounting Principles (GAAP).

M. BEEDLE discussed significant accounting estimates related to the valuation of real estate and private investments. She explained that KPMG's internal valuation specialists reviewed the appraisals and assumptions used by management and found them to be reasonable and consistent with market standards. No issues were identified with the valuation methods for either asset class.

M. BEEDLE also addressed an uncorrected audit misstatement of approximately \$400 million, which primarily resulted from a timing lag in receiving final valuations for private investments. She noted this was higher than the prior year's \$100 million misstatement due to stronger investment performance. Both KPMG and APFC management concluded that the amount was not material to the financial statements. Finally, M. BEEDLE affirmed KPMG's independence for the audit period.

TRUSTEE SCHUTT commented that the audit appeared to have gone well, with no surprises, and thanked KPMG for their work.

EXECUTIVE SESSION - KPMG (Information)

CHAIR ANDERSON noted the next agenda item was an executive session with KPMG to discuss the integrity of financial statements and controls.

TRUSTEE SCHUTT moved to go into executive session to discuss the integrity of financial statements and controls. TRUSTEE BRUNE seconded the motion.

The committee entered executive session.

Upon returning to the public meeting, CHAIR ANDERSON stated that while in executive session, the trustees considered only the matters mentioned in the motion and took no action.

DETAILED REVIEW OF FY25 YEAR-END FINANCIAL STATEMENTS (Information)

SENIOR PORTFOLIO ACCOUNTANT II JACKI MALLINGER and CHIEF FINANCIAL OFFICER VALERIE MERTZ presented a detailed review of the FY25 year-end financial statements (packet p. 42).

J. MALLINGER provided key takeaways for the fiscal year ending June 30, 2025:

- **Accounting Net Income:** \$7.8 billion.
- **Statutory (Realized) Net Income:** \$5.9 billion.
- **Mineral Revenue Deposits:** \$489 million.
- **Total Fund Return:** 9.35%.
- **Total Assets:** \$86 billion, an increase of \$4.6 billion from FY24.
- **Uncommitted Realized Earnings (ERA Balance):** \$6.4 billion.

J. MALLINGER reviewed the components of the fund balance, including the principal (non-spendable) and the Earnings Reserve Account (ERA). She addressed a question from TRUSTEE BRUNE regarding the growth in the non-spendable principal despite no inflation-proofing appropriation. J. MALLINGER explained the increase was due to mineral royalty deposits and the proportional allocation of unrealized gains between the principal and the ERA as the fund's value fluctuates. She also noted that the cumulative inflation-proofing deficit was approximately \$3.1 billion as of year-end.

TRUSTEE BRUNE also inquired about a \$329 million loss in derivatives and currency. V. MERTZ clarified that this loss was by design, as it primarily represented the cost of foreign exchange forwards used to hedge currency risk in international asset classes, which offset corresponding gains in those assets.

V. MERTZ concluded by thanking J. MALLINGER and the finance team, as well as KPMG, for a well-planned and smooth audit process.

UPDATE ON LEGAL MATTERS (Information)

GENERAL COUNSEL CHRIS POAG provided an update on legal matters affecting the fund. He reported that as part of the external audit process, he confirmed there was no pending or threatened litigation against the corporation or the fund that could have a material impact (defined as over \$1 million) on the financial statements.

C. POAG then summarized four examples of non-material litigation involving assets owned by the fund through limited liability entities:

1. **Sarasota, Florida Real Estate:** Offensive litigation to recover approximately \$30 million from insurance carriers for construction costs and delays at a development project.
2. **Riverwalk Real Estate:** Defensive litigation arising from a fatal crane accident during construction. The matter is being handled by the construction contractor's insurers, with coverage believed to be sufficient and little to no risk of liability to the fund's asset.
3. **Bromley, UK Mall:** A pre-litigation tax dispute with the UK government. The issue is whether the fund should be classified as a "body corporate," which would increase its income tax rate on net rental income from 15% to 25%. The potential increase represents approximately \$700,000 to \$1 million per year in additional tax liability. CHIEF INVESTMENT OFFICER MARCUS FRAMPTON added context that the mall, while

purchased at a high price in 2013-14, is a healthy and well-performing property at its current valuation.

4. **Novalpina Private Equity Fund:** Defensive litigation in Luxembourg against the fund's limited partners, including an APFC staff member who served on the advisory committee. The suit was filed by former general partners who were removed under a "no-fault" provision. C. POAG characterized it as nuisance litigation unlikely to succeed.

CHAIR ANDERSON thanked C. POAG for the helpful update on risks associated with the fund's assets.

CYBERSECURITY AUDIT (Action)

CHIEF INFORMATION TECHNOLOGY OFFICER SCOTT BALOVICH presented a proposal for the biannual independent cybersecurity audit mandated by the committee's charter.

S. BALOVICH proposed amending APFC's existing contract with KPMG to consolidate both the IT security audit and penetration testing services under a single vendor. He outlined several benefits of this approach:

- **Cost Efficiency:** Estimated 33% cost savings compared to engaging two separate vendors for these services, even with the higher rigor of a formal audit versus a less formal assessment.
- **Improved Quality:** A single vendor allows for the direct correlation of theoretical findings from the security control audit with the practical results of the penetration test. This alignment of theory and reality enables better prioritization of remediation efforts.
- **Process Efficiency:** Leverages an existing contract, avoiding a new procurement process and streamlining project initiation.

The proposed scope of work includes an audit against the Center for Internet Security (CIS) Controls Version 8, Implementation Group 3 (IG3), which is the highest and most comprehensive level, comprising 152 security controls. The vendor will provide consolidated reports directly to the committee, with highly technical findings delivered to the IT team for remediation.

TRUSTEE SCHUTT moved to authorize staff to enter into a contract with KPMG to perform a cybersecurity audit and penetration testing, noting this represents an additional scope of work beyond their standard financial audit services. TRUSTEE BRUNE seconded the motion.

A roll call vote was taken:

- TRUSTEE SCHUTT: Yes
- TRUSTEE BRUNE: Yes
- CHAIR ANDERSON: Yes

The motion passed unanimously.

ETHICS OVERVIEW (Information)

DIRECTOR OF HUMAN RESOURCES SHANNON MCCAIN provided an overview of APFC's ethics compliance process and the new anonymous reporting hotline.

S. MCCAIN reviewed the roles in the ethics process, noting she serves as the designated ethics supervisor for APFC staff. Her duties include reviewing disclosures, providing guidance to staff, ensuring training, and preparing quarterly ethics reports that are submitted to the Department of Law and provided to the committee. She reminded the committee that any discussion of the confidential reports must occur in executive session.

S. MCCAIN then introduced the APFC anonymous hotline, administered by a third-party vendor, Syntrio Lighthouse Services, which went live earlier in the year. The hotline allows employees to report a wide variety of concerns—including but not limited to ethics—anonously via a web portal, app, phone, or email. All reports are documented in a secure case management system where they cannot be deleted. An alternative routing system is in place to handle complaints lodged against senior management to prevent conflicts of interest.

During the meeting, TRUSTEE BRUNE noted that he was able to access the employee hotline via its public web link. He raised concerns about public access and ensuring employee anonymity on APFC computers . In response, S. MCCAIN acknowledged the feedback and confirmed the link would be secured to prevent public access. She also reported that the system has seen very limited use to date.

Following a suggestion from TRUSTEE BRUNE, the committee agreed that S. MCCAIN would provide regular, high-level summary reports on the types of complaints received through the hotline. These reports will be included with the quarterly ethics disclosures to keep the committee informed of trends and ensure proper governance oversight.

OTHER MATTERS / FUTURE AGENDA ITEMS / TRUSTEE COMMENTS

TRUSTEE BRUNE reported that he had been in communication with the Alaska Public Offices Commission (APOC) to request that they stop including trustees' home addresses in publicly released disclosure documents to enhance personal security.

TRUSTEE SCHUTT thanked staff for their work in implementing the new reporting hotline and the cybersecurity audit function. TRUSTEE BRUNE echoed these thanks and commended CHAIR ANDERSON for his leadership of the meeting.

CHAIR ANDERSON expressed his agreement and his satisfaction with the committee's progress under its new, expanded charter.

ADJOURNMENT

TRUSTEE SCHUTT moved to adjourn the meeting. TRUSTEE BRUNE seconded the motion.

Hearing no objection, the meeting was adjourned.

SUBJECT: Annual Audit Plan

ACTION: _____

DATE: May 28, 2026

INFORMATION: _____ X _____

BACKGROUND:

The charter for the Ethics, Audit & Cybersecurity Committee requires the committee to review the external auditors' plan – discuss scope, staffing, locations, reliance upon management, and general audit approach.

STATUS:

Beth Stuart, Office Managing Partner, and Melissa Beedle, Managing Director, will present the plan for the FY26 audit. A copy of the presentation is included here.



Alaska Permanent Fund Corporation Discussion with those charged with Governance

Audit plan and strategy for the year ending June 30, 2026

May 28, 2026

Audit plan required communications and other matters

Our audit of the financial statements of the Alaska Permanent Fund (the Fund) as of and for the year ended June 30, 2026, will be performed in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Performing an audit of financial statements includes consideration of internal control over financial reporting (ICFR) as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's ICFR.

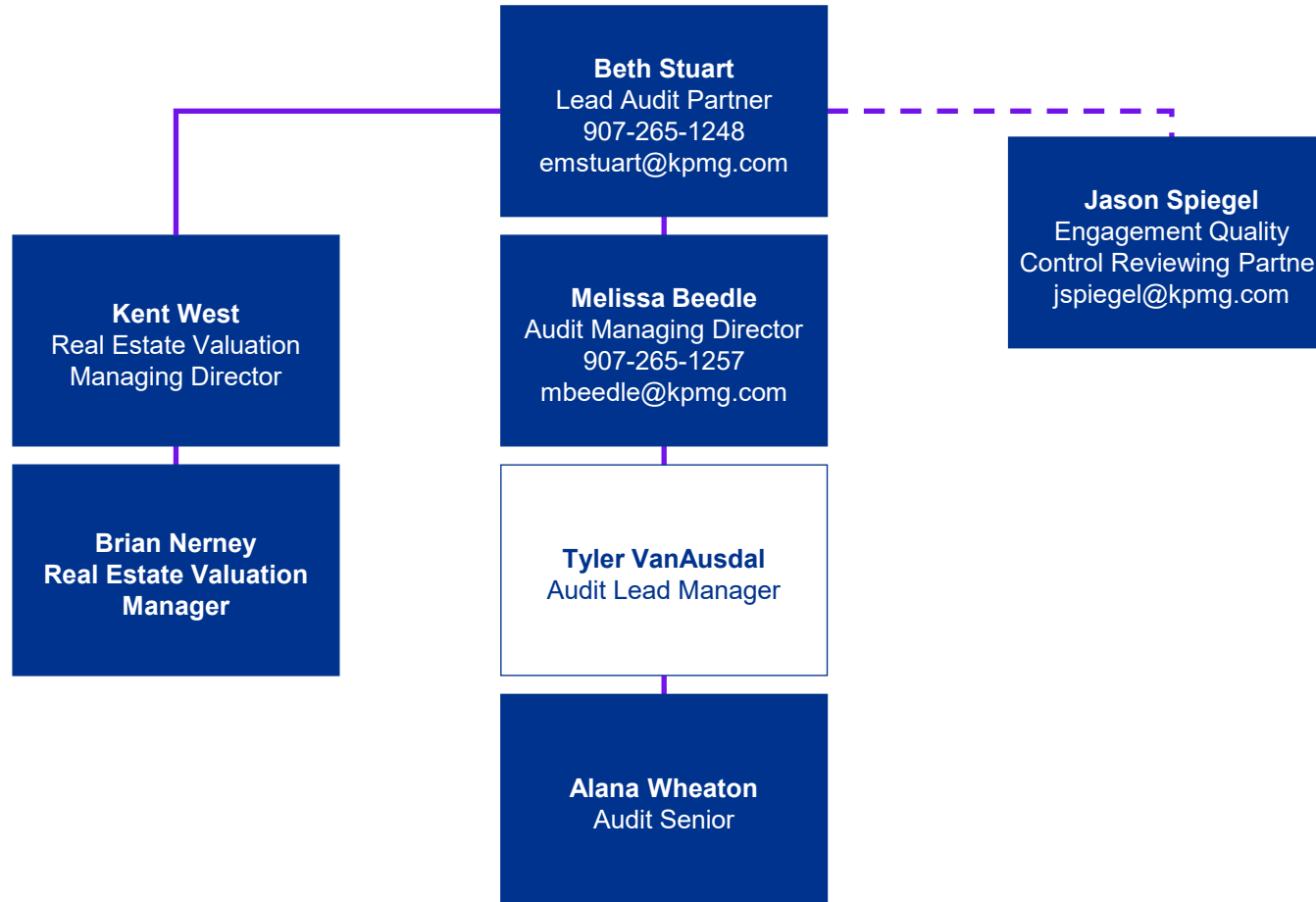
In addition, we will audit the schedules of investments held by the Alaska Permanent Fund Corporation for the Alaska Mental Health Trust Authority and the Power Cost Equalization Fund.

| Matters to communicate | | Reference |
|--|---|---|
| Role and identity of engagement partner | ✓ | Lead audit engagement partner is: Beth Stuart |
| Significant findings or issues discussed with management | X | |
| Audit participants | ✓ | Page 3 |
| Materiality in the context of an audit | ✓ | Page 4 |
| Our timeline | ✓ | Page 5 |
| Risk assessment: Significant risks | ✓ | Page 6 |
| Risk assessment: Additional risks identified | ✓ | Page 7 |
| Involvement of others | ✓ | Page 8 |
| Newly effective accounting standards | ✓ | Page 9 |
| Independence | ✓ | Page 10 |
| Responsibilities | ✓ | Page 11 |
| Required inquiries | ✓ | Page 12 |

✓ = Matters to report X = No matters to report

Client service team

Team members with continuity are designated in blue.



Materiality in the context of an audit

We will apply materiality in the context of the preparation and fair presentation of the financial statements, considering the following factors:

Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Judgments about materiality are made in light of surrounding circumstances and are affected by the size or nature of a misstatement, or a combination of both.

Judgments about materiality involve both qualitative and quantitative considerations.

Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered.

Determining materiality is a matter of professional judgment and is affected by the auditor's perception of the financial information needs of users of the financial statements.

Judgments about the size of misstatements that will be considered material provide a basis for:

- determining the nature and extent of risk assessment procedures;
- identifying and assessing the risks of material misstatement; and
- determining the nature, timing, and extent of further audit procedures.

Our timeline

March – April

Planning and risk assessment

- Planning and initial risk assessment procedures, including
 - Involvement of others
 - Identification and assessment of risks of misstatements and planned audit response for certain processes
- Obtain and update an understanding of the Company and its environment

May – June

Interim

- Inquire of those charged with governance, management and others within the Company about risks of material misstatement
- Evaluate design and implementation (D&I) of entity-level controls and process level controls for certain processes
- Perform process walkthroughs and identification of process risk points for certain processes
- Ongoing risk assessment procedures, including identification and assessment of risks of misstatements and planned audit response for remaining processes
- Communicate audit plan
- Identify IT applications and environments
- Perform interim substantive audit procedures

July – September

Year-end

- Perform remaining substantive audit procedures
- Evaluate results of audit procedures, including control deficiencies and audit misstatements identified
- Review financial statement disclosures
- Present audit results to those charged with governance and perform required communications

September 2, 2026: Issue audit reports on financial statements.

Risk assessment: Significant risks

| Significant risk | Susceptibility to: | |
|--|--------------------|------------|
| | Error | Fraud |
| <p>Management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.</p> | | Yes |

Risk assessment: Additional risks

| Other significant audit matters | Relevant factors affecting our risk assessment |
|---|--|
| Valuation of alternative investments | <ul style="list-style-type: none">• Complexity of alternative investment valuations.• Size of the alternative investment portfolio.• Timing of the valuation received. |
| Valuation of real estate investments | <ul style="list-style-type: none">• Complexity of real estate valuation.• Size of the directly owned real estate portfolio.• Timing of valuation received. |

Involvement of others

| Audit of financial statements | Extent of planned involvement |
|--|--|
| Service Organization: Bank of New York Mellon | <ul style="list-style-type: none">• Obtain service auditors' report• Evaluate user controls identified in the report |
| KPMG professionals with specialized skill or knowledge who are involved in performance of audit procedures: <ul style="list-style-type: none">• Alternative Investment Specialists• Real Estate Valuation Specialists | <ul style="list-style-type: none">• Provide guidance on risks related to alternative investments, including current economic environment.• Assist in portfolio risk assessment and scoping of private market portfolio.• Review third-party real estate appraisals for selected real estate investments. |

GASB Statement No. 103 *Financial Reporting Model Improvements*

Purpose of the Statement:

- To refine key elements within the financial reporting framework
- To increase the overall clarity and usefulness of financial statements
- To deliver information critical for informed decision-making and evaluating a government's accountability

Key Provisions of GASB 103

•Management's Discussion and Analysis (MD&A):

MD&A will now focus exclusively on five specific areas:

- Overview of the Financial Statements
- Financial Summary
- Detailed Analyses explaining changes in balances
- Significant Capital Asset and Long-Term Financing Activities
- Known Facts, Decisions, or Conditions at the Reporting Date

•Unusual or Infrequent Items:

GASB 103 defines these as transactions or events that are either rare in nature or occur infrequently.

Shared responsibilities: Independence

Auditor independence is a shared responsibility and most effective when management, those charged with governance and audit firms work together in considering compliance with the independence rules. For KPMG to fulfill its professional responsibility to maintain and monitor independence, management, those charged with governance and KPMG each play an important role.

System of Independence Quality Control

The firm maintains a system of quality control over compliance with independence rules and firm policies. Timely information regarding upcoming transactions or other business changes is necessary to effectively maintain the firm's independence in relation to:

- new affiliates (which may include subsidiaries, equity method investees/investments, sister companies, and other entities that meet the definition of an affiliate under AICPA independence rules); and
- new officers or directors with the ability to affect decision-making, individuals who are beneficial owners with significant influence over the Company, and persons in key positions with respect to the preparation or oversight of the financial statements.

Certain relationships with KPMG

Independence rules prohibit:

- certain employment relationships involving directors, officers, or others in an accounting or financial reporting oversight role and KPMG and KPMG covered persons; and
- the Company or its directors, officers, from having certain types of business relationships with KPMG or KPMG professionals.

Responsibilities

Management responsibilities

- Communicating matters of governance interest to those charged with governance.
- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

KPMG responsibilities – Objectives

- Communicate clearly with those charged with governance the responsibilities of the auditor regarding the financial statement audit and an overview of the planned scope and timing of the audit.
- Obtain from those charged with governance information relevant to the audit.
- Provide those charged with governance with timely observations arising from the audit that are significant and relevant to their responsibility to oversee the financial reporting process.
- Promote effective two-way communication between the auditor and those charged with governance.
- Communicate effectively with management and third parties.

KPMG responsibilities – Other

- If we conclude that no reasonable justification for a change of the terms of the audit engagement exists, and we are not permitted by management to continue the original audit engagement, we should:
 - withdraw from the audit engagement when possible under applicable law or regulation;
 - communicate the circumstances to those charged with governance; and
 - determine whether any obligation, either legal contractual, or otherwise, exists to report the circumstances to other parties, such as owners, or regulators.
- Forming and expressing an opinion about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared, in all material respects, in accordance with the applicable financial reporting framework.
- Establishing the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.
- Communicating any procedures performed relating to other information, and the results of those procedures.

Required inquiries

- What are your views about fraud risks, including management override of controls, at the entity and whether you have taken any actions to respond to these risks?
 - Are you aware of, or have you identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
 - Are you aware of or have you received tips or complaints regarding the entity's financial reporting (including those received through the internal whistleblower program, if such program exists) and, if so, what was your response to such tips and complaints?
 - How do you exercise oversight over management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Has the entity entered into any significant unusual transactions?
 - Have there been any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
 - What is the audit committee's understanding of the entity's relationships and transactions with related parties that are significant to the entity?
 - Does any member of the audit committee have concerns regarding relationships or transactions with related parties and, if so, what are the substance of those concerns?
 - Has there been any correspondence with regulators or licensing authorities?

Our technology and quality story

Our Quality Story

- Sustained audit quality is paramount to protecting the capital markets.
- This video walks through our audit quality journey and our forward-looking strategy that remains committed to delivering a high-quality audit.
- Please watch to hear more about our audit quality journey and continuous improvement process, as detailed in our most recent Audit Quality Report.

Our Technology Story

- We are resetting the playing field when it comes to integrating technology into the audit.
- Artificial intelligence represents the most significant transformation in our profession's history. At KPMG, it's not just new tool it's a fundamental shift in how we deliver quality, trust and value.
- Please watch to learn more about our technology journey, how the audit experience is changing for our clients, and our roadmap for the future.

Link to videos here: [Our Quality and Technology Story Videos](#)

US Audit Quality and Transparency Reports

- Interactive dashboard highlights key quality metrics
- Details KPMG's investment in our audit approach, people, technology, quality management system and the future of audit

Audit Quality Report

- Provides more granular detail on our commitment to continually enhance audit quality
- Outlines KPMG LLP's System of Quality Control
- Discusses how the firm aligns with the requirements and intent of applicable professional standards, including our System of Quality Control Statement of Effectiveness

Transparency Report

Reports and supplements available at: <https://kpmg.com/us/en/articles/audit-quality-report.html>

For the fiscal year 2025, a separate NYSE supplement is not provided as the relevant information has been incorporated into the main document.



Questions?

For additional information and audit committee resources, including National Audit Committee Peer Exchange series, a Quarterly webcast, and suggested publications, visit the KPMG Audit Committee Institute (ACI) at <https://boardleadership.kpmg.us/audit-committee.html>

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SUBJECT: FY26 Year-to-Date Financial Update ACTION: _____

DATE: May 28, 2026 INFORMATION: _____ X _____

KEY TAKEAWAYS:

- Total return for the third quarter of FY26 of -0.16%. Year-to-date, total fund underperformed the performance benchmark by 65 basis points and outperformed the passive benchmark by 91 basis points.
- Accounting net income year-to-date of \$4.8 billion, a gain of \$9 million for the third quarter
- Realized (statutory) net income year-to-date of \$5.6 billion, tracking above Callan’s high-point projection of \$5.3 billion
- Total net asset value as of March 31st of \$86.4 billion, an increase of \$1.3 billion fiscal year to date
- Three transfers totaling \$690 million to the General Fund during the quarter, leaving \$689 million to be transferred during the last quarter of the fiscal year
- \$331 million of mineral deposits transferred in during the fiscal year to date, slightly behind the Spring Revenue Forecast
- Committed Earnings Reserve balance of \$4.0 billion, including \$4.0 billion for FY27 General Fund transfers and \$28 million for transfer to the ACIF
- \$8.0 billion in uncommitted realized earnings at the end of March
- Inflation rate for FY26 is final at 2.6%, which results in an estimated statutory inflation proofing calculation of \$1.6 billion, however inflation proofing was not appropriated as part of the FY26 budget so no transfer will be made.

Financial results for the third quarter of FY26 were reflective of the volatility experienced in the public markets. Gains were recorded in most asset classes during the first two months of the quarter, most significantly in public equities. Losses experienced in March more than zeroed out the gains for the quarter, with private equity being the only asset class with a gain for the month. Overall, the portfolio lost \$669 million in value between the end of December and the end of March.

Net assets increased by \$1.3 billion fiscal year-to-date through March. This is a result of net income of \$4.8 billion and \$331 million received in mineral royalty deposits offset by the FY26 POMV transfer to the General Fund in the amount of \$3.8 billion. Corporate operating expenses and other appropriations for the quarter totaled \$76 million.

There were three transfers to the General Fund during the third quarter of FY26 totaling \$690 million. The remaining \$689 million is scheduled to transfer throughout the remainder of the fiscal year. Staff is in communication with the cash managers at the Department of Revenue to ensure that amounts designated for the General Fund remain invested in the Fund as long as possible, while being available to meet the liquidity needs of the State.



APFC

ALASKA PERMANENT
FUND CORPORATION

FY26 Year-to-Date Financial Statement Review



Key Takeaways

as of March 31st

- Accounting net income: **\$4.8B**
- Statutory net income: **\$5.6B**
- Mineral revenues deposited to corpus: **\$331M**
- POMV transfers to General Fund: **\$3.1B**
- Total return: **6.44%**
- Realized earnings balance: **\$8.0B**

Total Assets

(millions)

| | FY26 as of 3/31 | FY25 as of 6/30 |
|---------------------|------------------------|------------------------|
| Cash | \$4,391.1 | \$3,797.3 |
| Receivables | 1,240.1 | 689.9 |
| Investments | <u>82,675.6</u> | <u>81,553.5</u> |
| Total assets | \$88,306.8 | \$86,040.7 |

Investments

(millions)

| Fair value | FY26 as of 3/31 | FY25 as of 6/30 |
|----------------------------|------------------------|------------------------|
| Marketable debt securities | \$17,964.0 | \$15,987.5 |
| Preferred and common stock | 28,626.9 | 28,373.0 |
| Real estate | 8,305.1 | 9,292.0 |
| Absolute return | 6,187.5 | 5,836.8 |
| Private credit | 2,633.1 | 2,760.8 |
| Private equity | 14,884.6 | 14,875.2 |
| Infrastructure | 4,074.4 | 4,428.2 |
| Total investments | \$82,675.6 | \$81,553.5 |

Unrealized Gains (Losses)

(millions)

| Asset Class | FY26 as of 3/31 | FY25 as of 6/30 |
|-------------------------------|--------------------|--------------------|
| Marketable debt securities | \$(372.3) | \$(178.4) |
| Preferred and common stock | 5,317.3 | 5,598.3 |
| Real estate | 1,664.9 | 1,850.5 |
| Absolute return | 2,468.4 | 2,031.2 |
| Private credit | 256.9 | 384.0 |
| Private equity | 4,726.8 | 4,904.2 |
| Infrastructure | 1,050.4 | 1,453.1 |
| Derivatives & Currency | 72.0 | (29.0) |
| Total unrealized gains | \$15,184.4 | \$16,013.9 |

Liabilities

(millions)

| | FY26 as of 3/31 | FY25 as of 6/30 |
|--------------------------|------------------------|------------------------|
| Accounts payable | \$1,233.8 | \$909.6 |
| Income distributable | <u>688.9</u> | <u>31.3</u> |
| Total liabilities | \$1,922.7 | \$940.9 |

Fund Balances

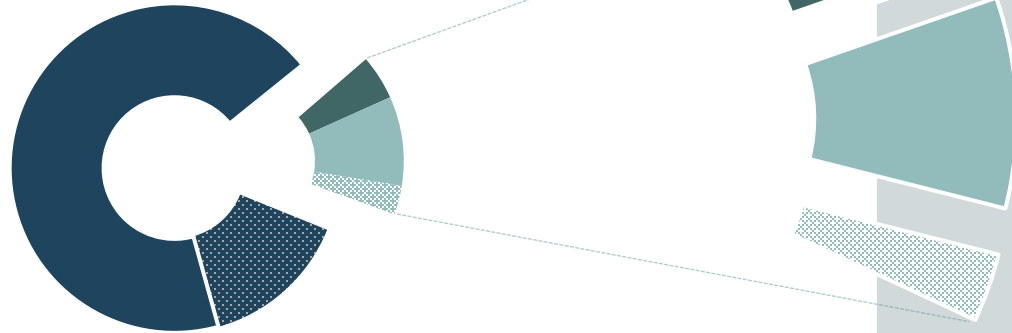
(millions)

| | FY26 as of 3/31 | FY25 as of 6/30 |
|--|---------------------------|---------------------------|
| Nonspendable | \$71,807.9 | \$72,496.7 |
| Committed | 4,024.8 | 3,798.9 |
| Assigned | <u>10,551.4</u> | <u>8,804.2</u> |
| Total fund balances | <u>\$86,384.1</u> | <u>\$85,099.8</u> |
| Total liabilities and fund balances | \$88,306.8 | \$86,040.7 |

Permanent Fund Value \$86.4B

As of March 31, 2026

APFC publishes monthly Financial Statement Reports at apfc.org



\$71.8B Principal:

\$59.2 Permanent Deposits

\$12.6 Unrealized Gains

\$14.6B Earnings Reserve Account (ERA) Includes:

\$4.0B for the FY27 POMV - Committed

For the Percent of Market Value "POMV" Draw to the state's general fund for dividends and government services

\$ - for Inflation Proofing - Committed

For the FY26 transfer to the Principal for intergenerational purchasing power given the two-account structure

\$8.0B "Spendable" Earnings

Available as realized income

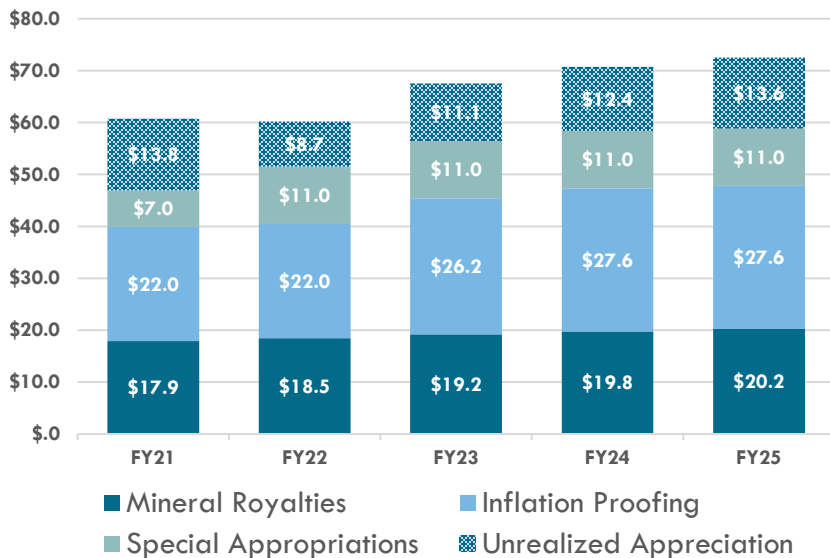
\$2.6B Unrealized Gains

Represents changes in asset values from the purchase date to the statement date

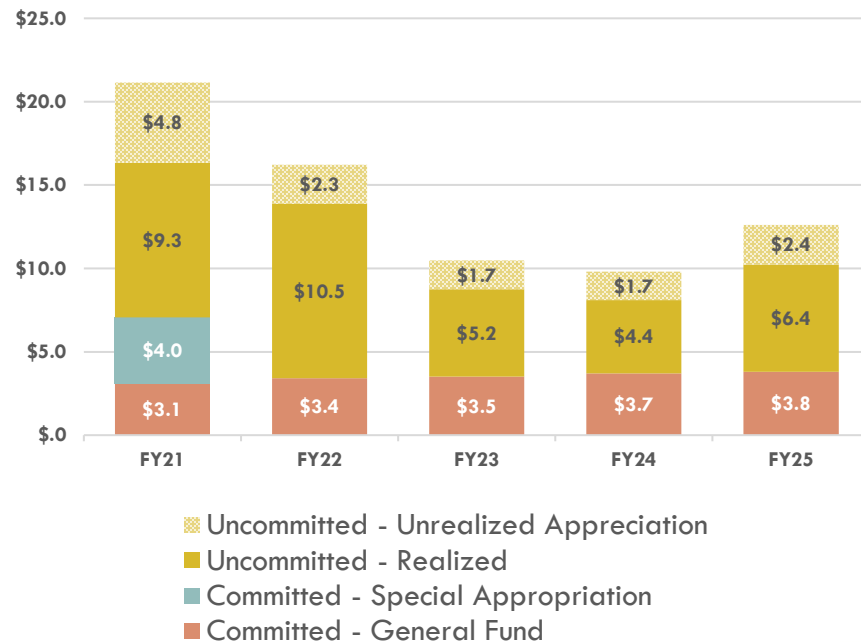
Alaska Permanent Fund: Principal and ERA

FY21-FY25 (billions)

Principal



Earnings Reserve Account (ERA)



Inflation Proofing FY16 – FY27

(millions)

| Fiscal Year | Per Statute | Amount Appropriated | Surplus/ (Deficit) |
|--------------|-------------------|---------------------|--------------------|
| 2016 | \$47.3 | \$- | (\$47.3) |
| 2017 | 501.7 | - | (501.7) |
| 2018 | 855.6 | - | (855.6) |
| 2019 | 989.5 | 989.5 | - |
| 2020 | 757.7 | 4,757.7 | 4,000.0 |
| 2021 | 577.3 | - | (577.3) |
| 2022 | 2,419.5 | - | (2,419.5) |
| 2023 | 4,179.3 | 4,179.3 | - |
| 2024 | 2,346.6 | 1,413.0 | (933.6) |
| 2025 | 1,736.2 | - | (1,736.2) |
| 2026 | 1,556.6 | - | (1,556.6) |
| 2027 | 1,491.0 | 1,491.0** | - |
| Total | \$17,458.3 | \$12,830.5 | (\$4,627.8) |

FY20 follows intent language from appropriation

FY26 & FY27 statutory calculations are estimated

** Reflects action in the FY27 operating budget that is not yet final

Revenues

(millions)

| | FY26 thru 3/31 | FY25 thru 3/31 | FY25 |
|--|--------------------------|--------------------------|------------------|
| Interest | \$557.2 | \$502.5 | \$677.3 |
| Dividends | 378.4 | 427.7 | 617.7 |
| Other income | <u>539.4</u> | <u>489.1</u> | <u>702.0</u> |
| Total interest, dividends & other income | \$1,475.0 | \$1,419.3 | \$1,997.0 |
| Total increase in fair value of investments | <u>3,426.5</u> | <u>2,345.4</u> | <u>6,002.9</u> |
| Total revenues | \$4,901.5 | \$3,764.7 | \$7,999.9 |

Net Change in Investments Value

(in millions)

| Asset Class | FY26 as of 3/31 | FY25 as of 3/31 | FY25 |
|----------------------------|--------------------|--------------------|------------------|
| Marketable debt securities | \$(83.8) | \$315.6 | \$505.2 |
| Preferred and common stock | 2,080.1 | 1,491.2 | 3,963.4 |
| Real estate | (133.2) | (92.0) | 45.0 |
| Absolute return | 585.4 | 336.7 | 432.7 |
| Private credit | (48.5) | 29.4 | 56.3 |
| Private equity | 759.4 | 237.1 | 785.3 |
| Infrastructure | 182.5 | 232.8 | 544.3 |
| Derivatives & currency | <u>84.6</u> | <u>(205.4)</u> | <u>(329.3)</u> |
| Total net increase | \$3,426.5 | \$2,345.4 | \$6,002.9 |

Expenditures

(millions)

| | FY26 as of 3/31 | FY25 as of 3/31 | FY25 |
|---|---------------------------|---------------------------|------------------|
| Operating expenditures | \$(138.5) | \$(118.1) | \$(152.6) |
| Other legislative appropriations | <u>(10.9)</u> | <u>(10.4)</u> | <u>(10.4)</u> |
| Total expenditures | <u>\$(149.4)</u> | <u>\$(128.5)</u> | <u>\$(163.0)</u> |
| Excess of revenues over expenditures | \$4,752.1 | \$3,636.2 | \$7,836.9 |

Statutory Net Income

(millions)

| | FY26 as of 3/31 | FY25 as of 3/31 | FY25 |
|-----------------------------|---------------------------|---------------------------|------------------|
| Accounting net income | \$4,752.1 | \$3,636.2 | \$7,836.9 |
| Unrealized (gains) losses | 829.4 | 534.4 | (1,939.8) |
| ACIF realized income | <u>(27.9)</u> | <u>(22.2)</u> | <u>(31.3)</u> |
| Statutory net income | \$5,553.6 | \$4,148.4 | \$5,865.8 |

Realized Earnings by Asset Class (millions)

| Asset Class | FY26 <small>as of</small> 3/31 | FY25 <small>as of</small> 3/31 | FY25 |
|----------------------------|-----------------------------------|-----------------------------------|------------------|
| Marketable debt securities | \$659.3 | \$541.4 | \$738.3 |
| Preferred and common stock | 2,745.0 | 2,424.1 | 3,925.4 |
| Real estate | 305.7 | 135.0 | 23.6 |
| Absolute return | 154.0 | 52.1 | 121.1 |
| Private credit | 178.3 | 137.9 | 227.7 |
| Private equity | 1,069.9 | 932.4 | 970.6 |
| Infrastructure | 610.7 | 196.9 | 297.8 |
| Derivatives & currency | (14.9) | (139.7) | (270.8) |
| Other | <u>22.8</u> | <u>19.0</u> | <u>26.5</u> |
| Total | \$5,730.8 | \$4,299.1 | \$6,060.2 |

Changes in Fund Balances

(millions)

| Other financing sources (uses) | FY26 as of 3/31 | FY25 as of 3/31 | FY25 |
|-----------------------------------|--------------------|--------------------|------------------|
| Transfers in | \$331.1 | \$380.6 | \$488.7 |
| Transfers out | <u>(3,798.9)</u> | <u>(3,657.3)</u> | <u>(3,688.6)</u> |
| Net change in fund balances | \$1,284.3 | \$359.5 | \$4,637.0 |
| Beginning of period | \$85,099.8 | \$80,462.8 | \$80,462.8 |
| End of period | \$86,384.1 | \$80,822.3 | \$85,099.8 |

Components of Change

(millions)

| | | |
|---|-----------------------|-----------------------|
| ↑ | Accounting Net Income | \$4.75 billion |
| ↑ | Mineral Deposits | \$331 million |
| ↓ | POMV Transfer | \$3.80 billion |
| ↑ | Net Change | \$1.28 billion |

The logo for Alaska Permanent Fund Corporation (APFC) is displayed in white serif font on a dark blue rectangular background. The letters 'A', 'P', and 'F' are significantly larger than 'C'.

APFC

ALASKA PERMANENT
FUND CORPORATION



**Financial Report
March 31, 2026**

Fiscal Year 2026 Net Assets

Balances through March 31, 2026

(in millions)

| | |
|--|--------------------|
| Total assets | \$ 88,306.8 |
| Less liabilities | (1,922.7) |
| Net assets | <u>\$ 86,384.1</u> |
| Fund Balances: | |
| Non-spendable | |
| Permanent Fund corpus—contributions and appropriations | 59,185.6 |
| Not in spendable form—unrealized appreciation on invested assets | 12,622.3 |
| Total non-spendable fund balance | <u>\$ 71,807.9</u> |
| Committed | |
| General Fund Commitment | 3,996.9 |
| Current FY inflation proofing | - |
| Current FY Alaska Capital Income Fund | 27.9 |
| Committed fund balance | <u>\$ 4,024.8</u> |
| Assigned for future appropriations | |
| Realized earnings | 7,989.2 |
| Unrealized appreciation on invested assets | 2,562.2 |
| Total assigned fund balance | <u>10,551.4</u> |
| Total fund balances | <u>\$ 86,384.1</u> |

Fiscal Year 2026 Income

For the nine months ending March 31, 2026

(in millions)

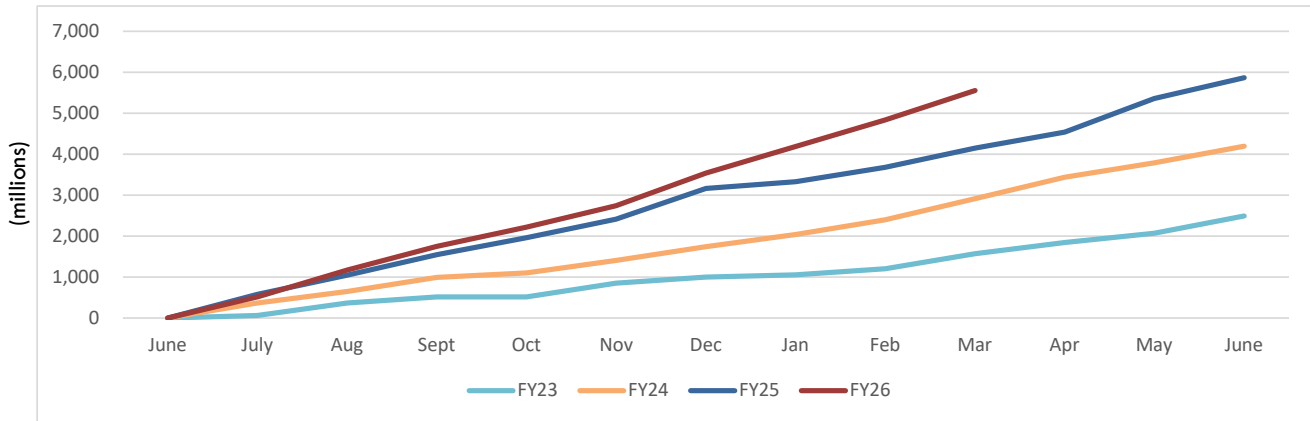
Statutory (Realized) Net Income

| | |
|---|-------------------|
| Interest, dividends, real estate, and other income | \$ 1,475.0 |
| Realized gains on the sale of invested assets | 4,255.9 |
| Less operating expenses/legislative appropriations | (149.4) |
| Less Alaska Capital Income Fund committed realized earnings | (27.9) |
| Statutory net income | <u>\$ 5,553.6</u> |

GAAP (Accounting) Net Income

| | |
|--|-------------------|
| Statutory net income | \$ 5,553.6 |
| Unrealized loss on invested assets | (829.4) |
| Alaska Capital Income Fund committed realized earnings | 27.9 |
| Accounting net income | <u>\$ 4,752.1</u> |

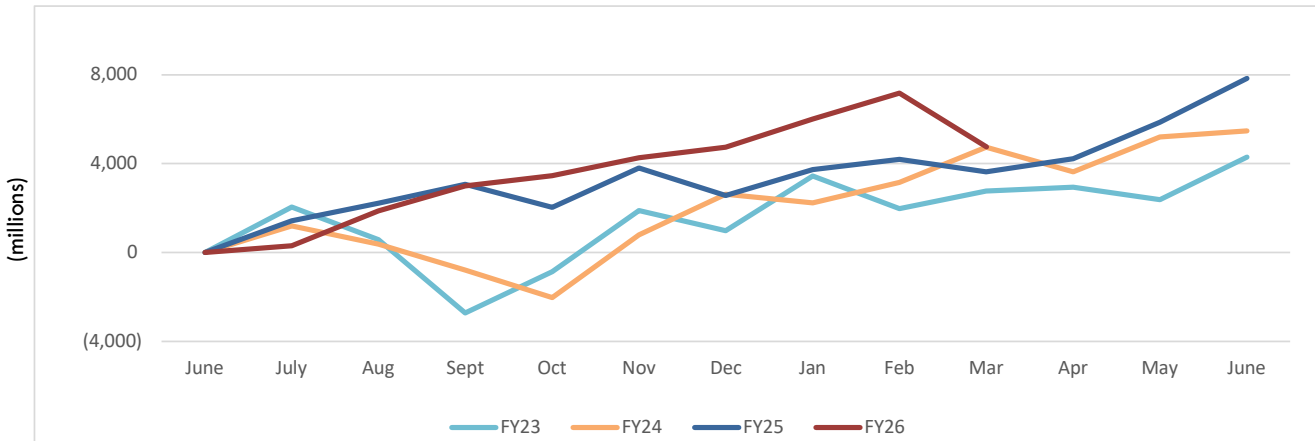
Statutory Net Income, Fiscal Years 2023 - 2026



- Comprised of receipts from interest on fixed income, real estate rentals, stock dividends, and all realized gains and losses on the sales of invested assets, less AK Capital Income Fund committed amounts and operating expenses.

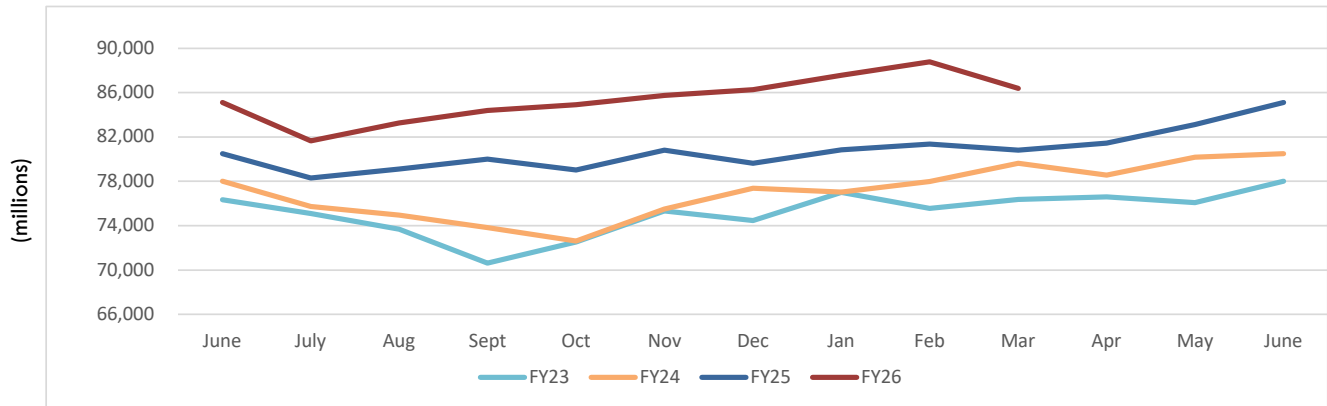
- FY23 statutory net income was \$2,491.1 million.
- FY24 statutory net income was \$4,195.5 million.
- FY25 statutory net income was \$5,865.8 million.
- FY26 statutory net income is \$5,553.6 million to date.

GAAP Accounting Net Income, Fiscal Years 2023 - 2026



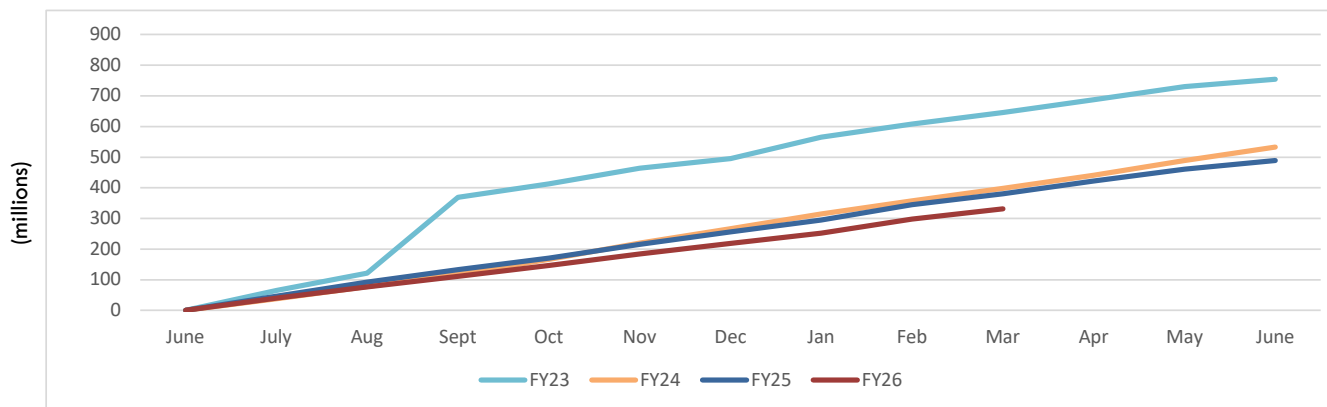
- Accounting net income is the same as statutory net income, except it includes unrealized gains and losses.
- Accounting net income for FY23 was \$4,295.9 million.
- Accounting net income for FY24 was \$5,467.9 million.
- Accounting net income for FY25 was \$7,836.9 million.
- Accounting net income for FY26 is \$4,752.1 million to date.

Market Value of Fund Net Assets, Fiscal Years 2023 - 2026



- FY23 net assets as of June 2023 were \$78 billion, an increase of \$1.7 billion over the FY22 ending balance.
- FY24 net assets as of June 2024 were \$80.5 billion, an increase of \$2.5 billion over the FY23 ending balance.
- FY25 net assets as of June 2025 were \$85.1 billion, an increase of \$4.6 billion from the FY24 ending balance.
- FY26 net assets as of March 2026 were \$86.4 billion, an increase of \$1.3 billion from the FY25 ending balance.

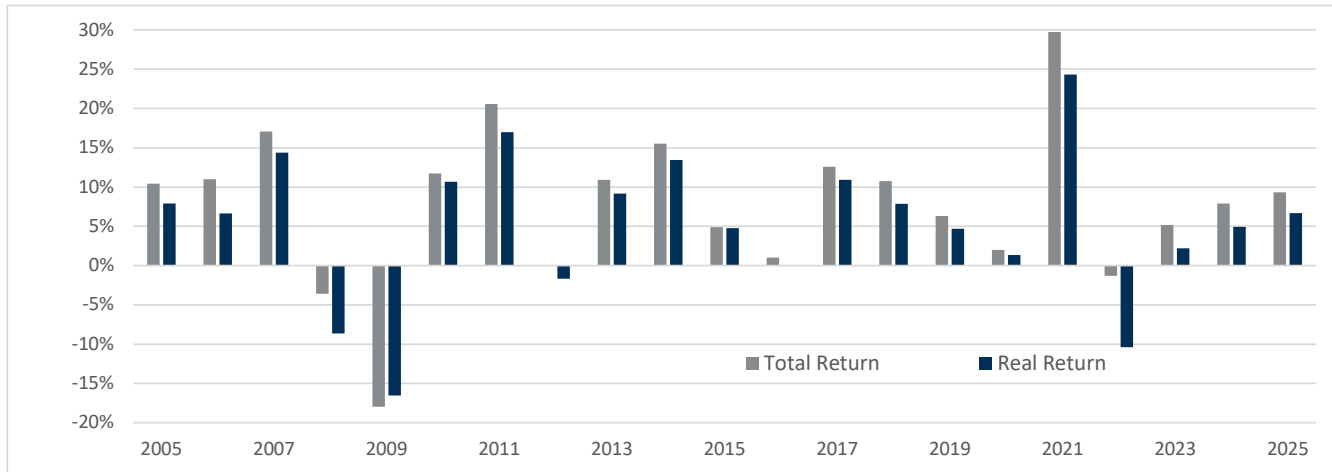
Dedicated Mineral Revenues, Fiscal Years 2023 - 2026



- FY23 mineral revenue was \$753.6 million.
- FY24 mineral revenue was \$532.6 million.
- FY25 mineral revenue was \$488.7 million.
- FY26 mineral revenue is \$331.1 million to date.

Alaska Permanent Fund Historical Returns, Fiscal Years 2005 - 2025

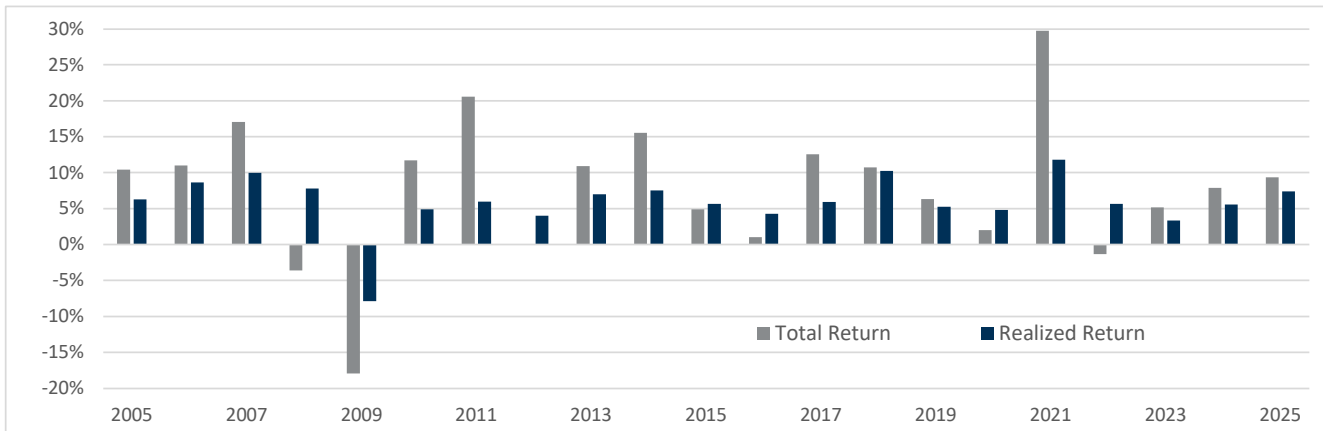
Total return minus inflation equals real return



- Total return annualized over 41 years is 8.8%
- Real return annualized over 41 years is 6%

Alaska Permanent Fund Historical Returns, Fiscal Years 2005 - 2025

Total return minus unrealized gains/losses equals realized return



- Total return annualized over 41 years is 8.8%
- Realized return annualized over 41 years is 7.34%

SUBJECT: Bi-annual Cybersecurity Audit Results ACTION: _____

DATE: May 28, 2026 INFORMATION: _____ X _____

BACKGROUND:

The charter for the Ethics, Audit & Cybersecurity Committee mandates the committee to review the results of a bi-annual cybersecurity audit as required by APFC’s Cybersecurity Policy and recommend any changes to areas that are identified as needing improvement.

STATUS:

Staff contracted with a KPMG team that is focused on this area to perform the cybersecurity audit and work is complete. The presentation and audit report will be provided at the meeting. Audit results will be reviewed in executive session by the following KPMG team members:

- Rahul Kohli, Principal
- Venoth Lal, Director
- Ryan McGurgan, Manager
- Andrew McGregor, Manager

SUBJECT: IT Security Framework

ACTION: _____

DATE: May 28, 2026

INFORMATION: _____ X _____

BACKGROUND:

In accordance with the cybersecurity oversight requirements in the charter for the Ethics, Audit & Cybersecurity Committee, staff will update the committee on a recent development related to APFC's IT security framework.

STATUS:

Sebastian Vadakumcherry, Chief Risk & Compliance Officer, will present information to the committee in executive session. Materials will be distributed at the meeting.

SUBJECT: Quarterly Ethics Update

ACTION: _____

DATE: May 28, 2026

INFORMATION: _____ X _____

The charter for the Ethics, Audit & Cybersecurity Committee (EAC Charter) provides for the Committee’s review of the report of Ethics Act disclosures made to the Attorney General under AS 39.52.260. The EAC Charter also provides the Committee with the ability to discuss with the APFC Ethics Supervisor any of the matters contained in the prior Ethics Report to the Attorney General. However, because these reports are confidential under state law, consistent with the requirements of the Open Meetings Act, should the Committee decide that it wishes to discuss a matter contained in the Ethics Report, this discussion by the Committee will need to take place in executive session.

SUBJECT: Annual Self-Assessment

ACTION: _____

DATE: May 28, 2026

INFORMATION: _____ X _____

BACKGROUND:

The Ethics, Audit & Cybersecurity Committee charter requires that the committee do an annual self-assessment which is done at the spring meeting.

STATUS:

The forms have been distributed to the members of the committee. Feedback will be compiled and distributed at the meeting for discussion.



**Ethics, Audit & Cybersecurity Committee of the Board of Trustees
2026 Annual Self-assessment**

Rating Scale: 1 = Strongly Disagree 5 = Strongly Agree

| Committee Charter | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the charter articulate the Committee’s responsibilities and provide the Committee with the necessary authority to fulfill them? | | | | | | |
| Does the charter facilitate and support the effective operation of the Committee? | | | | | | |
| During the past twelve months, did the Committee adequately address all of its responsibilities as detailed in the charter? | | | | | | |
| If not, are arrangements in place to rectify this in the next 12 months? | | | | | | |

| Skills and Experience | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the mix of skills on the committee allow it to effectively perform its assigned responsibilities? | | | | | | |
| Has the Committee been able to analyze and critically evaluate information presented to it by management? | | | | | | |
| Is the Committee’s overall financial literacy adequate in the light of its responsibilities? | | | | | | |
| Has the Committee responded appropriately or taken the required action where significant risks and/or control breakdowns have been brought to its attention? | | | | | | |
| Does the Committee have access to appropriate internal and/or external resources to assist it in understanding and dealing with complex and difficult matters on a timely basis? | | | | | | |
| Has the Committee shown an openness to new ideas and different views in its deliberations? | | | | | | |
| Has the Committee been sufficiently probing and challenging in its deliberations? | | | | | | |

| Understanding the Organization | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the Committee have sufficient understanding and appreciation of the District’s: | | | | | | |
| <input type="checkbox"/> risk management framework? | | | | | | |
| <input type="checkbox"/> internal controls to mitigate significant risks? | | | | | | |
| <input type="checkbox"/> financial and statutory reporting requirements? | | | | | | |
| <input type="checkbox"/> legislative and policy compliance arrangements? | | | | | | |
| Does the Committee receive information concerning the organization’s processes and controls to prevent and detect fraud? | | | | | | |

| Understanding the Organization | Rating Scale | | | | | |
|---|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the Committee receive appropriate training/briefings on existing and emerging risks, and developments in the areas of auditing and accounting standards, financial reporting and the environment in which the organization operates? | | | | | | |

| Meeting Administration and Conduct | Rating Scale | | | | | |
|---|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Has the Committee had the appropriate number of meetings to properly discharge its duties? | | | | | | |
| Does the agenda-setting process allow for all necessary items to be included? | | | | | | |
| Is the agenda structured to allow sufficient time to discuss the most complex and critical issues? | | | | | | |
| Does the Committee receive agenda items and supporting papers in sufficient time prior to meetings? | | | | | | |
| Are Committee members given the opportunity to be briefed prior to meetings? If so, are these briefings useful? | | | | | | |
| Are the Committee agenda and supporting papers of sufficient clarity and quality to make informed decisions? | | | | | | |
| Are Committee meetings well run and productive? | | | | | | |
| Are Committee minutes appropriately maintained and of good quality? | | | | | | |

| Cybersecurity | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the Committee understand the organization's cybersecurity strategy, threat landscape, and risk mitigation practices? | | | | | | |
| Does the Committee receive regular updates on cyber incidents, vulnerabilities, and testing outcomes (e.g. penetration testing, audits)? | | | | | | |
| Has the Committee ensured that a business continuity and incident response plan is in place to address cyber threats? | | | | | | |
| Is the Committee satisfied with management's cybersecurity risk management framework and governance? | | | | | | |

| Ethics | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Does the Committee monitor and evaluate the organization's ethics and compliance policies and practices? | | | | | | |
| Has the Committee ensured that there are mechanisms for confidential reporting and appropriate handling of ethical violations? | | | | | | |
| Does the Committee review and track the resolution of incidents involving ethics or conflicts of interest? | | | | | | |
| Does the Committee promote a culture of integrity, transparency, and accountability? | | | | | | |

| Continuing Education | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Do the Committee members have regular opportunities for continuing education relevant to their roles? | | | | | | |
| Does the Committee participate in briefings or training on emerging risks and regulatory developments? | | | | | | |

| | | | | | | |
|---|--|--|--|--|--|--|
| Do new Committee members receive orientation covering committee responsibilities, financial oversight, cybersecurity, and ethics? | | | | | | |
| Does the Committee periodically assess knowledge gaps and identify development resources? | | | | | | |

| Board of Trustees Communications | Rating Scale | | | | | |
|---|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Are Committee communications to the Board of Trustees about the Committee's deliberations and activity of an appropriate quality? | | | | | | |
| Is the Board of Trustees well informed, on a timely basis, of the Committee's deliberations and activity? | | | | | | |

| Management Input | Rating Scale | | | | | |
|--|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Did information presented by management (nature, clarity, quality and timeliness) meet the Committee's expectations in respect of: | | | | | | |
| <input type="checkbox"/> risk identification and assessment, including the process to identify entity risks for possible financial reporting implications? | | | | | | |
| <input type="checkbox"/> the internal control framework, designed by management to identify and mitigate risks, including fraud risks? | | | | | | |
| <input type="checkbox"/> arrangements established by management to ensure compliance with legislation, government regulations and internal policies? | | | | | | |
| <input type="checkbox"/> financial reporting processes and requirements? | | | | | | |
| Did the Committee receive timely updates from general counsel on legal and regulatory matters that may have a material effect on the financial statements? | | | | | | |

| External Audit | Rating Scale | | | | | |
|---|--------------|---|---|---|---|-----|
| | 1 | 2 | 3 | 4 | 5 | n/a |
| Did the Committee appropriately consider and understand the external audit plan? | | | | | | |
| Did the Committee review external audit reports and management letters and consider management responses to findings and recommendations? | | | | | | |
| Did the Committee provide input and feedback on external audit coverage and performance? | | | | | | |

| Comments/suggestions for improvement |
|--------------------------------------|
| |