Board of Trustees

Governance Committee Meeting

July 20, 2026

APFC ALASKA PERMANENT FUND CORPORATION

801 W 10TH SUITE 302 | JUNEAU, AK 99801
907.796.1500 | apfc.org

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Board of Trustees Governance Committee Meeting

July 20, 2026

10:30 a.m. – 2:00 p.m.

Michael J. Burns Building
David Rose Board Room (3rd Floor)
801 W 10th Street
Juneau, AK 99801

Teams Webinar Access
Join here

Teleconference Option
Phone: 323-792-6284
Phone Conference ID: 833 614 595#

Written comments can be sent to Trustees anytime at
boardpubliccomment@apfc.org

AGENDA

Monday, July 20, 2026

10:30 a.m.	CALL TO ORDER
	ROLL CALL (Action)
	APPROVAL OF AGENDA (Action)
	APPROVAL OF MINUTES (Action) • February 13, 2026 Governance Committee Meeting
	OPPORTUNITY FOR PUBLIC PARTICIPATION
10:15 a.m.	BENCHMARKING – DISCUSS NEW PROPOSED CHARTER (Information) Marcus Frampton, Chief Investment Officer Sebastian Vadakumcherry, Chief Risk & Compliance Officer
12:00 p.m.	LUNCH
12:30 p.m.	CONTINUED BENCHMARKING DISCUSSION
1:50 p.m.	OTHER MATTERS / FUTURE AGENDA ITEMS / TRUSTEE COMMENTS
2:00 p.m.	ADJOURNMENT

NOTE: TIMES MAY VARY AND THE CHAIR MAY REORDER AGENDA ITEMS
(Please telephone Jennifer Loesch at 907.796.1519 with agenda questions.)

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SUBJECT: Approval of Minutes ACTION: X

DATE: July 20, 2026 INFORMATION:

BACKGROUND:

Staff & Trustees reviewed the following Governance Committee meeting summary minutes. Draft copies are attached for your approval.

- February 13, 2026 Governance Committee Meeting

RECOMMENDATION:

The Chair of Governance Committee should ask whether any member has any questions or corrections regarding the minutes from the February 13, 2026 Governance 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 GOVERNANCE COMMITTEE MEETING
February 13, 2026
10 a.m. – 12.00 p.m.

Virtual

TRUSTEES PRESENT: Ethan Schutt; Committee Chair; Jason Brune, Ralph Samuels

APFC STAFF PRESENT: Deven Mitchell, CEO; Marcus Frampton, CIO; Valerie Mertz, CFO; Sebastian Vadakumcherry, Chris Poag; Paulyn Swanson, Ross Alexander, Jennifer Loesch, Joseph Jeralds, Sarah Clark, Norix Mangual, Lesley Creswell, Jordyn Perletti, Cody Graves, Jessica Thornsburry, Steve Adams, Henry Lloyd, Tom O'Day, Michael Prebeg, Jacki Mallinger, Kelli Patterson, Shannon McCain, Joe Shinn, Juliette Alldredge, Steven Gagliardo, Heather Pedersen.

MEMBERS OF THE PUBLIC PRESENT: Alex Psilakis, Aurora Hauke, Brenda Hentschel

CALL TO ORDER
CHAIR ETHAN SCHUTT called the Alaska Permanent Fund Corporation (APFC) Board of Trustees Governance Committee meeting to order at 10:00 a.m. The meeting was conducted via a virtual platform.

ROLL CALL
The following Committee members were present:

- CHAIR ETHAN SCHUTT
- TRUSTEE JASON BRUNE
- TRUSTEE RALPH SAMUELS

A quorum was established.

APPROVAL OF AGENDA
Trustee Brune moved to approve the agenda as presented. Trustee Samuels seconded the motion. The motion passed without objection.

APPROVAL OF MINUTES
Trustee Brune moved to approve the minutes from the July 18, 2024, Governance Committee meeting. Trustee Samuels seconded the motion. The motion passed without objection.

OPPORTUNITY FOR PUBLIC PARTICIPATION
Chair Schutt invited members of the public to provide testimony. J. Loesch confirmed that no attendees signaled an intent to speak via the virtual platform.

DISCUSSION OF THE WILMERHALE APFC GOVERNANCE RECOMMENDATIONS

GENERAL COUNSEL CHRIS POAG initiated the presentation regarding the WilmerHale report, which was commissioned by the Governor's office to evaluate APFC governance policies. C. Poag reported that the final report, received on March 5, 2025, provided a favorable assessment while offering minor refinements.

C. Poag categorized the recommendations into items already implemented by the Executive Director and seven items remaining for committee evaluation.

Implemented Recommendations

C. Poag summarized three measures already in place:

- **Employee Reporting Portal**: A secure, anonymous portal for employees to report concerns, including encryption tools to redirect complaints to the CFO if they involve executive leadership.
- **Board-Staff Communications Policy**: Refined guidelines for documenting contacts between board members and staff, including specific timeframes and processes for responses.
- **Investment Advisory Group (IAG) Input**: A process where the CEO asks the Board for specific topics they wish the IAG to address in future presentations.

Recommendations for Committee Evaluation

The committee evaluated seven additional recommendations from the WilmerHale report:

1. Additional Annual Staff and Trustee Conflict of Interest Disclosure

C. Poag described a proposal for a single annual confirmation form to consolidate existing reporting obligations, including Alaska Public Offices Commission (APOC) filings, APFC investment reports, and ethics training.

- CEO DEVEN MITCHELL supported the proposal as a means to maintain transparency and facilitate conflict avoidance.
- J. Brune and R. Samuels supported the use of a simplified, standardized form as a precautionary measure to remind participants of existing obligations.
- The committee reached consensus to recommend the adoption of a consolidated annual disclosure form.

2. Prohibiting Investment Referrals by Trustees

WilmerHale suggested a definitive prohibition on all investment referrals from Trustees to mitigate potential pressure on staff.

- J. Brune expressed opposition, stating that current protocols requiring disclosure of referrals and staff responses provide sufficient transparency.

- R. Samuels recommended maintaining the current process but suggested the CEO verify with staff in one year to ensure no undue pressure is experienced.
- The committee reached consensus against recommending a prohibition on investment referrals.

3. Amending Investment Referral Charter Provisions

This recommendation proposed formally memorializing in the charter that investments referred by Trustees receive the same level of due diligence as staff-identified opportunities.

- CHIEF INVESTMENT OFFICER MARCUS FRAMPTON clarified that staff currently treats all referrals based on strategic fit and track record, irrespective of the source.
- C. Poag confirmed the intent was to provide an explicit written reminder for future staff that Trustee referrals should not receive abbreviated review or disparate treatment.
- The committee reached consensus to recommend drafting charter language that formally memorializes the existing due diligence process for referrals.

4. Expansion of Remote Work

WilmerHale suggested expanding remote work as a recruitment and retention tool.

- D. Mitchell noted that staff utilizes flexible work arrangements judiciously to ensure the best work product while remaining competitive in the labor market.
- J. Brune and R. Samuels supported remote work as a tool to attract highly qualified candidates, provided professional collaboration remains a priority.
- The committee reached consensus to support the continued use of remote work as an appropriate management tool.

5. Enhancement of Trustee Orientation

The report suggested expanding the orientation process to a multi-day format and allowing incumbent board members to participate.

- R. Samuels stated that the current one-day orientation is excessively complex for new members and supported spreading the curriculum over multiple days.
- J. Brune highlighted the benefit of smaller group sessions where Trustees can engage in more detailed dialogue outside of the public sphere.
- The committee reached consensus to recommend orienting and providing necessary resources through an enhanced Trustee orientation process.

6. Board Educational Presentations

WilmerHale recommended including more educational sessions on institutional investing trends during regular board meetings.

- The committee reached unanimous consensus to recommend more educational presentations from subject matter specialists on current market issues and trends.

7. Professional Networking and Public Education

The committee discussed fostering professional rapport between staff and Trustees and increasing public education regarding their respective roles.

- J. Brune and R. Samuels supported increased networking opportunities, with R. Samuels emphasizing that Trustees must not bypass established executive reporting structures.
- Regarding public education, R. Samuels noted a self-evident benefit in educating the public on the entire Permanent Fund system, beyond just governance roles.
- The committee reached consensus to support both increased professional networking opportunities and expanded public education efforts.

Trustee Brune moved to forward the supported recommendations to the full Board of Trustees for consideration. Trustee Samuels seconded the motion. The motion passed without objection.

OTHER MATTERS / FUTURE AGENDA ITEMS / TRUSTEE COMMENTS

C. Poag clarified that the committee did not discuss WilmerHale's recommendation regarding executive appointment authority, as it is outside the province of the Board to advise the Governor on such matters.

J. Brune referenced a prior discussion regarding the potential formation of a communications committee. Chair Schutt suggested this be addressed in a future meeting to determine if a new committee or expanded responsibilities for an existing body are required.

D. Mitchell noted that a summary of the meeting would be provided to the full Board, with final adoption of governance changes targeted for the May 2026 meeting.

ADJOURNMENT

Trustee Brune moved to adjourn. Trustee Samuels seconded the motion. The meeting adjourned without objection at 11:06 a.m.

Charter of the Benchmark Review Committee

Introduction

1. The Benchmark Review Committee ("Committee") is established to provide a structured forum for the periodic review of Policy Benchmarks utilized by APFC and identified in the Investment Policy.

2. This charter sets out the duties and responsibilities of the Committee, which includes the annual review of existing benchmarks and the evaluation of any proposed benchmark modifications to ensure that APFC's benchmark framework remains aligned with APFC's investment objectives, investment policy, and performance/risk measurement needs.

3. The Committee serves in an advisory capacity and provides recommendations to the Board of Trustees regarding benchmark-related matters.

Membership

4. The Committee shall consist of the following members:

   a. One member of the Investment Advisory Group ("IAG");
   b. One representative of APFC's Investment Consultant; and
   c. The APFC Executive Director.

5. Each September the members of the IAG shall select one IAG member to serve on this Committee for the year.

6. The Committee may invite APFC staff, consultants, or subject matter experts to participate in meetings as appropriate, but such individuals shall not be voting members of the Committee.

Meetings

7. The Committee shall meet at least annually, with the annual meeting generally occurring during November or December.

8. The timing of the annual meeting is intended to allow sufficient opportunity for Committee recommendations to be shared with the Board of Trustees at its February meeting, which is one meeting prior to the board meeting at which the Board of Trustees takes formal action on changes to the Investment Policy (i.e. the May quarterly meeting).

9. Additional meetings may be called as necessary by any Committee member.

Duties and Responsibilities

10. The Committee shall:

a. Conduct an annual review of all existing Policy Benchmarks ("benchmark") identified in the Investment Policy;
b. Evaluate whether each benchmark continues to serve its intended purpose and appropriately measures investment performance and investment risk;
c. Consider potential benchmark modifications, additions, removals, or other benchmark-related changes brought before the Committee by APFC Staff, a member of the Board of Trustees, or a member of this Committee;
d. Review the rationale, expected benefits, risks, and implementation considerations associated with any proposed benchmark change; and
e. Develop written recommendations regarding benchmark-related matters for consideration by the Board of Trustees.

Submission of Proposed Changes and Analysis

11. Potential benchmark changes may be raised by any member of the Committee, a member of the APFC Staff, or by a member of the Board of Trustees. Proposed benchmarks changes must be proposed to the Committee no later than September 30th of each year, to allow the Committee an opportunity to evaluate the proposed changes at its annual meeting.

12. The Committee may request supporting analysis from APFC Staff, consultants, or other advisors as necessary to evaluate proposed benchmark changes.

Annual Benchmark Affirmation

13. As part of its annual review, the Committee shall consider each existing APFC benchmark and shall recommend one of the following actions:

a. Affirm the benchmark without modification;
b. Modify the benchmark; or
c. Eliminate and replace the benchmark.

14. The Committee shall document its annual review recommendations and supporting rationale and present them to the Board of Trustees at the February quarterly meeting.

Proposed Benchmark Change

15. Any recommendation by the Committee to modify, eliminate, or replace a benchmark shall include:

a. The rationale for the proposed change;
b. The expected impact on performance and risk measurement and reporting; and

c. The effective date of the proposed change.

16. In evaluating a proposed benchmark change, the Committee shall focus on the appropriateness of the benchmark as a measure of investment performance, risk, and achievement of investment objectives. Recommendations to change a benchmark shall be made without regard to recent investment performance and may not be proposed to improve or diminish the appearance of historical investment results. For the avoidance of doubt, a proposed benchmark change should not be a regular event and maintaining the continuity of benchmarks is important for the long-term measurement of performance and providing APFC Staff with clear direction when building a portfolio to outperform the benchmark over long periods of time (i.e. ten years).

17. All benchmark changes approved by the Board of Trustees shall be implemented on a prospective basis only and documented in the Investment Policy. Historical performance results shall not be restated to reflect newly adopted benchmarks unless specifically approved by the Board of Trustees and properly documented.

Review and Amendment of the Charter

18. The Governance Committee will review this Charter at least once every three (3) years and recommend any amendments to the Board of Trustees for approval as necessary to ensure that the Charter remains relevant and appropriate.

19. The Board of Trustees adopted this Charter on October 2, 2026.