MINUTES OF THEMEETING OF THE BOARD OF INVESTORS FOR THE OKLAHOMA TOBACCO SETTLEMENT TRUST FUND (TSET)
February 18, 2026
State Capitol Building,
Governor's large conference room
2300 N. Lincoln Blvd.
Oklahoma City, OK 73105

Call to order

Treasurer Todd Russ, Chair of the Board, called the meeting to order at 10:07 am on Wednesday, February 18, 2026, at the Oklahoma State Capitol.

Confirmation of quorum

Members of the Board present were Treasurer Russ, Deborah Mueggenborg, Aaron Ackerman, and John Waldo.

Others present at the meeting were OST Chief Investment Officer Lisa Murray; OST Deputy Treasurer/Chief of Staff Jordan Harvey; OST Chief Investment Officer Lisa Murray; OST Director of Portfolio Accounting & Reporting Phyllis Chan; Assistant Attorney General Ben Graves; Innovest Advisor's Wendy Dominguez and Wyck Brown; Evan Walter and Paul Pustmueller with BOK Financial; TSET Executive Director Julie Bisbee; TSET Director of Public Information and Government Affairs Thomas Larson, TSET Accountant Britt Chapman; Paul Monies with Oklahoma Watch; OST Chief Policy Advisor Andy Ferguson; OST Digital Media Coordinator Lara Blubaugh; and OST Investment Analyst Kudakwashe Rupuwu.

Kudakwashe Rupuwu served as recording secretary.

Approval of minutes from the meeting on November 19, 2025

Upon a motion by Ms. Mueggenborg and a second by Mr. Waldo, the minutes from November 19, 2025, Board meeting were unanimously approved.

Presentation of Tobacco Free Investments Report by Bank of Oklahoma
Chairman Russ recognized Evan Walter of BOK Financial to present the quarterly report. Mr. Walter confirmed that the portfolio remains in full compliance with the tobacco-free mandate.

Class Action Proof of Claims Report 2nd Quarter of FY '26
Chairman Russ recognized OST Chief Investment Officer Lisa Murray to present this agenda item. Ms. Murray requested after the fact approval of the filings.

Upon a motion by Mr. Waldo to approve the class actions claims filed in September through December 2025 and a second by Ms. Mueggenborg the motion was accepted unanimously by a roll call vote.

FY26 Estimated Earnings Report as of December 31, 2025
Chairman Russ recognized Portfolio Accounting and Reporting Director Phyllis Chan to present the estimated earnings. For the 6 months ending December 31, 2025, the total income with net

gains was $57 million. After deducting investment expenses of $4.6 million and reserving $500 thousand for auditing purposes, the estimated earnings were $79 million.

TSET Board of Directors Report
Chairman Russ recognized Julie Bisbee, Executive Director of TSET, to provide an update on the organization's current initiatives. Ms. Bisbee reported that the TSET Board of Directors recently approved several new grants focused on rural health infrastructure and youth vaping prevention. She also highlighted the success of the "Set the Bar" program, which has seen increased participation from local businesses committing to smoke-free environments

Private Equity Infrastructure Manager Search, Presentations, and Selection
Chairman Russ recognized Wendy Dominguez of Innovest, introduced the search for a new private equity infrastructure manager, explaining that the goal was to diversify the Trust's alternatives portfolio and capitalize on long-term, inflation-protected assets

- **Presentation by Brookfield:** Representatives from the firm presented their Brookfield Super-Core Infrastructure Partners Fund (BSIP), emphasizing their "owner-operator" model. They detailed their focus on high-quality, essential service assets in the renewable power, data, and transportation sectors and highlighted that 50% of the Fund's investments are in the United States. Brookfield said their ability to source proprietary deals and operate them independently, attributes to a track record of delivering consistent cash yields.
- **Presentation by KKR:** Representatives from KKR presented their Diversified Core infrastructure Fund (DCIF) strategy, focusing on a platform-based approach to investing. KKR highlighted that their portfolio is heavily weighted in Europe and has 39% in the USA. They discussed their emphasis on risk-adjusted returns through investments in renewable energy, towers, and utilities. They highlighted their ability to source proprietary deals and their track record of delivering consistent cash yields. The team focused on their operational expertise and the value added through their dedicated global macro and public affairs teams.

Following the presentations, the Board engaged in a discussion regarding the fee structures and sector allocations. Ms. Dominguez noted that Brookfield was more owner-operator focused compared to KKR and had been in the infrastructure sector for a much longer time. She also noted that Brookfield's fund placed heavier weighting in renewables which offered a specific diversification benefit not currently present in the Trust's other holdings.

Upon a motion by Ms. Mueggenborg to select Brookfield as the new Private Equity Infrastructure Manager, and a second by Mr. Ackerman, the motion was unanimously approved by roll call vote.

Ratification and Approval of Innovest Consulting Firm Agreement
Ms. Dominguez presented the updated consulting firm agreement for Innovest. She explained that the agreement formalizes the ongoing relationship and the scope of services, including performance monitoring and manager searches.

Upon a motion by Mr. Ackerman and a second by Mr. Waldo, the agreement was unanimously ratified and approved.

2nd Quarter of FY '26 Investment Performance Report
Ms. Dominguez presented the investment performance report for the quarter ending December 31, 2025. She reported that the Trust portfolio had a return of 1.20% for the quarter and cumulatively earned 10.24% slightly trailing the policy index. She attributed the lower return to the on-going transition of the portfolio asset allocation which caused a lag. She also noted how domestic equity and fixed income had a strong performance in the portfolio, benefiting from shifting market expectations regarding interest rates.

Issuance of a Global Buyout Private Equity Request for Proposal (RFP)
Ms. Dominguez updated the Board regarding the issuance of the global buyout private equity RFP and noted that the timelines for issuance have shifted slightly as an RFP announcement will be published in the Pension and Investments (P&I) publication. She explained that the search would target managers with broad geographic and sector expertise to complement existing holdings and that finalists would be interviewed at the August board meeting.

Investment Policy Statement (IPS) Revision
Ms. Dominguez presented proposed revisions to the IPS, which included updating the target asset allocation to reflect the new infrastructure, private equity, liquidity mandates and clarifying language regarding proxy voting procedures to align with previous Board actions.

Upon a motion by Mr. Ackerman and a second by Ms. Mueggenborg, the revisions were adopted.

Member	**Vote**
Mr. Ackerman	Yes
Ms. Mueggenborg	Yes
Mr. Waldo	NO
Treasurer Russ	Yes

Proxy Voting Audit Presentation
Chairman Russ recognized Jerry Bowyer of Bowyer Research to present the findings of the proxy voting audit. Mr. Bowyer reported that the audit identified several instances where asset managers had voted against the Board's stated preferences or Oklahoma's economic interests, particularly on ESG-related proposals. Mr. Bowyer reported that Oklahoma will be one of 2 States to adopt these guidelines. He stated that the transition to the Vident sub-advisor system would ensure all votes are cast according to the Trust's custom guidelines. The Board discussed the findings and confirmed the implementation of proxy voting changes were proceeding as planned.

New Business.
There was none.

Adjournment
The meeting was adjourned at 12:14 pm.

Todd Russ

Todd Russ, Chair
Tobacco Settlement Endowment Trust Fund Board of Investors