

**MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in an open meeting on **March 24, 2020**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation located at 210 West 7th Street, Suite 1700 in Austin, said meeting having been called by the Chairman, Jeffery D. Hildebrand ("Chairman"), with notice provided to each member in accordance with the Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the Internet. Participating in the meeting were the following members of the Board:

Jeffery D. Hildebrand
Ray Rothrock
Robert Gauntt
Janet Handley
R. Steven Hicks
Janiece Longoria
Ray Nixon
Clifton L. Thomas, Jr.
James C. "Rad" Weaver

thus constituting a majority and quorum of the Board. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; Susan Chen, Managing Director; Amanda Hopper, Senior Director; Ryan Ruebsahm, Managing Director; and other team members. Other attendees were Chancellor James B. Milliken of The University of Texas System; Keith Brown of the McCombs School of Business at UT Austin; Jerry Kyle of Orrick, Herrington & Sutcliffe LLP; Stacy Napier of The University of Texas System ("UT System"); Kevin Jacobs and Chris Brown of Ernst and Young LLP; and Mark Houser of UT System University Lands. Chairman Hildebrand called the meeting to order at 9:01 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each member of the Board.

Chairman Hildebrand began the meeting by stating that Britt Harris wanted to provide an update on the current economic and pandemic situation and its effect on the Corporation and the investments under management. Mr. Harris mentioned that we were experiencing the fastest fall in the stock market but that the portfolio had been positioned to be prepared, contingency plans were in place, and as a result, the portfolio was only down 10%. He noted that the team remains in close communication with each other and with our clients and all operations are well controlled. He thanked the team for stepping up and functioning as professionals.

Minutes

The first item to come before the Board was approval of the Minutes of the Board of Directors Meeting held on December 5, 2019. Director Handley recommended a correction to the minutes. Subject to the correction

to the minutes requested, upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the minutes of the Meeting of the Board of Directors held on December 5, 2019, be, and are hereby, approved.

Corporate Resolutions

Designation of Annual Meeting

Chairman Hildebrand recommended Board approval of the resolution to designate the Annual Meeting of the UTIMCO Board of Directors. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the Annual Meeting of the Board of Directors will be held on June 11, 2020, in Austin, Texas.

Consideration of Renaming Cybersecurity Committee

Chairman Hildebrand presented a recommendation for the renaming of the Cybersecurity Committee to the Cyber Risk Committee. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the Directors of the Corporation hereby rename the Cybersecurity Committee to the Cyber Risk Committee.

Election of Corporate Officer

Chairman Hildebrand recommended that Michael Sjolander be appointed as an officer of the Corporation. Managing Directors are considered officers of the Corporation and Mr. Sjolander was appointed Managing Director – Chief Technology Officer, effective March 2, 2020. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that Michael Sjolander is hereby appointed to the office of Managing Director of the Corporation to serve until the next Annual Meeting of the Corporation or until his resignation or removal.

Recommendation Regarding Employee Authorization

Chairman Hildebrand asked Mr. Harris to provide his recommendation that the Board authorize Rich Hall and Joan Moeller to act in his absence in the event of an extended leave of absence, incapacity, or an unforeseeable emergency for so long as the global COVID-19 pandemic is ongoing. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that subject to the control of the Board of Directors of the Corporation, Richard Hall, Deputy Chief Investment Officer, and/or Joan Moeller, Secretary, Treasurer, Senior Managing Director and Chief Operating Officer, shall have all the powers and duties of Chief Executive Officer and Chief Investment Officer of the Corporation, including the powers and duties of President of the Corporation set forth in Article V, Section 7 of the Corporation's

Bylaws and such additional powers and duties as have been or may hereafter be assigned to him or her in those capacities by the Board of Directors of the Corporation, and shall be authorized to act for Mr. Harris when he is absent due to an extended leave of absence, incapacity or an unforeseeable emergency as determined by the Chairman of the Board of Directors of the Corporation, in his sole discretion, for such time as the global COVID-19 pandemic is ongoing.

Performance Report and Market Update

Chairman Hildebrand asked Mr. Hall to present the Fund's performance report and market update. Mr. Hall began with a review of 2019, including 2019 benchmark performance, and an overview of funds. He then presented the Fund's assets under management and performance results as of December 31, 2019. Mr. Hall reported a total of \$50.5 billion of assets under management: \$23.8 billion in the Permanent University Fund ("PUF"), \$14.0 billion in the General Endowment Fund ("GEF"), \$9.3 billion in the Intermediate Term Fund ("ITF"), and \$2.7 billion in the Short Term Fund ("STF"). Mr. Hall also compared performance and risk adjusted returns relative to other foundations and endowments. The PUF one-year alpha was 2.2% and the three-year annualized alpha was 0.9%. Mr. Hall concluded with a review of valuations, debt levels, and debt service. Britt Harris added a brief summary of the markets and addressed the state of economic affairs. Mr. Hall and Mr. Harris then answered questions from the Directors.

Review and Primer of Relationship between UTIMCO and University Lands

Chairman Hildebrand asked Mr. Harris to present on the relationship between UTIMCO and University Lands. Mr. Harris introduced Mr. Mark Houser, CEO of University Lands, and gave a brief overview of each entities' operational structure. Mr. Harris discussed the contributions from PUF Lands, the UTIMCO Strategic Plan, Energy Markets, and UTIMCO Private Equity Exposure. Mr. Harris then turned the presentation over to Mr. Houser who began by sharing the University Lands governance structure and overview of University Lands and the PUF Lands. Mr. Houser discussed strategic priorities, revenue, production vs. WTI Oil Prices, and capital projections. He concluded that the demand for oil will increase over the long term and University Lands is fortunate to be sitting on such a valuable resource. Mr. Harris and Mr. Houser answered the Directors' questions. Chairman Hildebrand thanked Mr. Harris and Mr. Houser for their presentation.

Chancellor James B. Milliken of The University of Texas System gave a brief update on the state of the UT System and continuity of operations. He discussed the UT System plan to successfully maneuver through the COVID-19 pandemic, which included performing all activities at the 14 institutions remotely to the extent possible, transferring course instruction online for all enrolled students, postponing commencement ceremonies, and limiting access to dormitories and dining programs to individuals with no suitable alternative. In addition, an emergency fund was put in place to assist campuses in need and communication with the Board of Regents of the UT System has been constant. The Chancellor discussed his prediction for significant movement to expand online education. Chancellor Milliken answered the Directors' questions.

Public Equity Presentation

Chairman Hildebrand invited Susan Chen and Amanda Hopper to present an update on Public Equity. Ms. Chen reported on the role of Public Equity in the Endowments. She reported that Public Equity is approximately \$14 billion of the total portfolio, roughly 50% of global equity regime assets and about 30% of

the total Endowment and ITF assets as of December 2019. Ms. Chen briefly addressed the team structure, market returns, performance, portfolio and manager framework, and top priorities for calendar year 2020.

Next Ms. Hopper discussed performance attribution and reviewed the premier list breakdown of the Public Equity portfolio. She also discussed results of the 2019 action plan for the Public Equity Team and further detailed the top priorities for the Team in 2020. Ms. Chen, Ms. Hopper, and Mr. Harris answered the Directors' questions.

Hedge Funds Presentation

Chairman Hildebrand asked Ryan Ruebsahm to present the Hedge Funds Review. Mr. Ruebsahm highlighted the following three key points for the Hedge Fund Team. First, the Hedge Fund portfolio was split in two parts with distinct roles; both portfolios are preserving capital and playing their roles in the fund as expected. Second, directional Hedge Funds performed well and exceeded expectations last year. Finally, the stable value portfolio, started two years ago, is still in transition, but meeting expectations. At year end the stable value portfolio was 85% built out and is expected to be 100% built out this year. Mr. Ruebsahm introduced the Hedge Fund Team and recognized Tony Caruso and Courtney Powers for their efforts. He noted that Hedge Funds are 20% of the Endowment. Mr. Ruebsahm highlighted that risk is being monitored and managed well and the Team is executing on their action plan. Mr. Hall finished with a quick note on Hedge Fund performance.

Executive Session

Prior to going into executive session, Chairman Hildebrand announced that, "The Board of Directors of The University of Texas/Texas A&M Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session to receive an update on computer security assessments related to information resources technology pursuant to *Texas Government Code* Sections 551.076 and 551.089, to deliberate the purchase, exchange, lease, or value of real property pursuant to Section 551.072, and to deliberate individual personnel compensation matters pursuant to Section 551.074. The date is March 24, 2020, and the time is now 11:14 a.m."

Reconvene in Open Session

The Board reconvened in open session and Chairman Hildebrand announced that, "The Open Session of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is March 24, 2020, and the time is now 11:36 a.m. During the Executive Session, the Board received an update on computer security assessments related to information resources technology, deliberated the purchase, exchange, lease, or value of real property, and deliberated individual personnel compensation matters, but no action was taken nor decisions made, and no vote was called for or had by the Board in Executive Session."

Office Lease and Capital Budget

Chairman Hildebrand asked Mr. Harris to discuss the proposed amendment to the lease agreement with the Board of Regents of The University of Texas System ("Regents") for additional office space and extension in the term of the current lease, and the proposed capital budget related to the build out of the additional office space. Pursuant to the Delegation of Authority Policy and Master Investment Management Services Agreement, respectively, because the proposed office lease imposes a total obligation on the Corporation in excess of \$1 million and the Regents approve the Corporation's annual budget, which includes office space lease expenses, the Board must approve the contract or provide specific delegated authority to the CEO to negotiate the lease on behalf of the Corporation. Mr. Harris presented the proposed lease agreement in executive session. After presentation of the proposed capital budget, upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, The University of Texas/Texas A&M Investment Management Company (the "Corporation") currently leases office space for its executive and administrative offices in The University of Texas System ("UTS") building in Austin, Texas pursuant to an Office Lease with the Board of Regents of UTS ("Lease Agreement"); and

WHEREAS, the Corporation wishes to enter into an amended Lease Agreement to secure additional office space in the UTS building and extend its current lease term for its executive and administrative offices.

NOW, THEREFORE, BE IT:

RESOLVED, that the CEO of the Corporation is authorized and directed by the Board of Directors of the Corporation to negotiate and enter into an amended Lease Agreement ("Amended Lease Agreement") on behalf of the Corporation and any documents ancillary to the Lease Agreement on such terms as may be necessary or in the best interests of the Corporation and to take whatever action as such officer of the Corporation may deem necessary, advisable or appropriate to effectuate or carry out the purposes and intent of this Resolution and to perform the obligations of the Corporation under the Amended Lease Agreement and any instruments referred to therein and/or executed in connection therewith.

And

RESOLVED, that the Capital Budget of \$2.5 Million related to the Corporation's office space located in The University of Texas System building, be, and is hereby, approved.

Report from Cyber Risk Committee

Chairman Hildebrand asked Director Rothrock to provide a report on behalf of the Cyber Risk Committee. Director Rothrock reported that the Committee met via teleconference on March 5, 2020. At the meeting, the Committee considered one action item: the approval of the Charter of the Cybersecurity Committee with the expectation that the name of the Committee would be changed to Cyber Risk. The Committee also met in Executive Session to receive an update on computer security assessments related to information resources technology, including security assessments. Director Rothrock made a recommendation for the

Board's approval of the Committee's Charter. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the Charter of the Cyber Risk Committee, as recommended be, and is hereby approved, in the form submitted to the Corporation's Board of Directors.

Report from Audit and Ethics Committee

Chairman Hildebrand asked Director Handley to provide a report on behalf of the Audit and Ethics Committee. Director Handley reported that the Committee met via teleconference on March 5, 2020. At the meeting, the Committee considered two action items: the minutes of its November 21, 2019 meeting were approved as drafted; and Deloitte & Touche LLP's Audit Results and Communications for the Corporation for the fiscal year ended August 31, 2019, were approved, subject to approval by the Board. Routine matters of the Committee included a report on fund Compliance matters for the three months ended November 30, 2019, a quarterly report on the Institutional Compliance Program, and an update on the fiscal year 2020 Action Plan. The Committee also received a report on new contracts and the annual report of all contracts over \$250,000 and the results of the Committee's self-assessment. The Committee received a presentation on the unaudited financial statements without footnotes for the Funds and the unaudited financial statements with footnotes for the Corporation for the three months ended November 30, 2019. Director Handley discussed the Deloitte & Touche LLP report by Robert Crowley, engagement partner, on the audit of the Corporation, noting that a clean, unqualified opinion was issued on January 24, 2020, and reported that Eric Polonski, Director of Audits of the UT System Audit Office, reviewed the UTIMCO Risk Management Consulting Report. Director Handley requested approval, on behalf of the Audit and Ethics Committee, of the resolutions related to the audit of the Corporation for the fiscal year ended August 31, 2019. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communications for the Corporation for the year ended August 31, 2019, be, and is hereby approved in the form as presented to the Board; and further

RESOLVED, that the annual financial statements and audit report for the Corporation for the fiscal years ended August 31, 2019 and August 31, 2018, be, and are hereby approved in the form as presented to the Board.

Report from Risk Committee

Chairman Hildebrand asked Director Gauntt to provide a report from the Risk Committee. Director Gauntt reported that the Risk Committee met via teleconference on March 5, 2020. The Committee approved the minutes of its November 21, 2019 meeting and discussed proposed amendments to the Charter of the Committee, subject to approval by the Board. The Committee also reviewed reports on compliance matters for the quarter ended November 30, 2019, including the risk dashboard as well as the quarterly report on the Institutional Compliance Program. The Committee also reviewed an update on the fiscal year 2020 Action Plan. The Committee received a market and portfolio risk update and reported on the results of the Committee's self-assessment. Director Gauntt requested approval, on behalf of the Risk Committee, of a

resolution related to proposed changes to the Charter. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the amendments to the Charter of the Risk Committee, as recommended be, and are hereby approved, in the form submitted to the Corporation's Board of Directors.

Report from Compensation Committee

Chairman Hildebrand asked Director Rothrock to provide a report from the Compensation Committee. Director Rothrock stated that the Compensation Committee met via teleconference on March 5, 2020. The Committee's meeting agenda included approval of minutes of the December 5, 2019 meeting and a discussion on the results of the Committee's self-assessment. The Compensation Committee also met in Executive Session for the purpose of deliberating individual personnel compensation and evaluation matters.

Report from Policy Committee

Chairman Hildebrand asked Director Hicks to provide a report from the Policy Committee. Director Hicks reported that the Policy Committee met via teleconference on March 5, 2020. The Committee's meeting agenda included approval of minutes of the November 21, 2019 meeting and a brief report of the results of the Committee's self-assessment.

Adjourn

There being no further business to come before the Board, the meeting was adjourned at approximately 11:52 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Jeffery D. Hildebrand Date: 9/18/20
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas/Texas A&M Investment Management Company