

PERMANENT UNIVERSITY FUND

**Report on Certain Specified Data
as Required by Texas Government Code Ch. 2101 Subchapter D**

December 31, 2020

This report is available on the UTIMCO website at www.utimco.org

PERMANENT UNIVERSITY FUND

Beneficiaries of the Fund

The Permanent University Fund (PUF) is a public endowment contributing to the support of institutions of The University of Texas System (UT System) and the Texas A&M University System (A&M System). The Constitution of 1876 established the PUF through the appropriation of land grants previously given to The University of Texas plus one million acres. Additional land grants to the PUF were completed in 1883 with the contribution of another one million acres. Today the PUF contains 2.1 million acres located in 24 counties primarily in West Texas.

Responsibility and Management of the Fund

The State Constitution vests fiduciary responsibility for the PUF with the Board of Regents of The University of Texas System. The Board has entered into a contract with a nonprofit corporation, The University of Texas/Texas A&M Investment Management Company (UTIMCO), for UTIMCO to invest funds under the control and management of the Board. UTIMCO may not engage in any business other than investing funds designated by the Board under the contract. Specific investment decisions are handled by the investment staff as well as unaffiliated investment managers who are employed from time to time.

Investment Objectives

The primary investment objective of the PUF shall be to maximize investment returns within the risk parameters specified in its investment policy statement without regard to the distribution rate. Investment returns are expressed net of all investment-related expenses.

Market Value and Book Value of the PUF

On December 31, 2020 the market value and book value of the PUF was \$27.2 billion and \$22.0 billion, respectively, exclusive of land acreage.

PERMANENT UNIVERSITY FUND

Investment Performance of the Ten Largest Stock Holdings – January 1, 2020 through December 31, 2020.

Name	Market Value	Total Return	Percentage of Fund December 31, 2020
MIDEA GROUP CO LTD	121,265,776.46	85.20%	0.45%
JIANGSU HENGRUI MEDICINE CO LT	91,054,605.06	63.42%	0.33%
GREE ELECTRIC APPLIANCES INC O	47,390,049.00	4.36%	0.17%
SAMSUNG ELECTRONICS CO LTD	40,521,565.36	57.38%	0.15%
CS WIND CORP	33,590,991.59	424.94%	0.12%
KWEICHOW MOUTAI CO LTD	32,318,778.84	82.28%	0.12%
BERRY GLOBAL GROUP INC	32,020,168.38	18.32%	0.12%
TAIWAN SEMICONDUCTOR MANUFACTU	31,096,015.99	75.39%	0.11%
NEW RELIC INC	27,242,275.94	-0.47%	0.10%
AMAZON.COM INC	27,215,398.89	76.26%	0.10%

Asset Allocation

Asset allocation is the primary determinant in the volatility of the PUF's performance, subject to the asset allocation range as specified by its investment policy statement, and is the responsibility of UTIMCO. The following represents asset allocation at December 31, 2020.

Asset Class	12/31/2020
Global Equity:	
U.S. Public Equity	9.64%
Non-U.S. Developed Public Equity	4.00%
Global Developed Public Equity	11.09%
<i>Total Developed Public Equity</i>	<i>24.73%</i>
Emerging Markets Public Equity	9.04%
<i>Total Public Equity</i>	<i>33.77%</i>
Directional Hedge Funds	9.07%
Private Equity	21.33%
Total Global Equity	64.17%
Stable Value:	
Investment Grade Fixed Income	7.69%
Credit-Related Fixed Income	0.09%
<i>Total Fixed Income</i>	<i>7.78%</i>
Cash	1.90%
Stable Value Hedge Funds	8.28%
Total Stable Value	17.96%
Real Return:	
Inflation Linked Bonds	1.39%
Commodities	0.11%
Natural Resources	5.38%
Infrastructure	2.34%
Public Real Estate	0.05%
Private Real Estate	5.72%
Total Real Return	14.99%
Strategic Partnerships	2.88%
Total All Asset Classes	100.00%

Economically Targeted Investments

The PUF invests in various private equity funds which are considered economically targeted investments. Economically targeted investments means an investment in which at least 50% of the total investment is allocated to economic development within the state of Texas or investment in businesses or entities located within the state of Texas. These private equity investments are made through internally created investment pools.

The following is the market value of PUF's proportionate share of these investments:

<u>Investment Name</u>	<u>Market Value</u>
AUSTIN VENTURES IX LP	\$ 999,919
AUSTIN VENTURES VII LP	1,434
AUSTIN VENTURES VIII LP	174,329
AUSTIN VENTURES X LP	4,097,044
DIRECT INVESTMENT #1	5,455,686
DIRECT INVESTMENT #2	7,459,950
DIRECT INVESTMENT #3	113,369
DIRECT INVESTMENT #4	1,296,726
ENCAP ENERGY CAPITAL FUND VII LP	1,369,114
EQT INFRASTRUCTURE IV CO-INVESTMENT A SCSP	36,174,172
PENNYBACKER III LP	14,070,049
PENNYBACKER IV LP	47,896,659
PTV SCIENCES II LP	7,565,878
PTV SPECIAL OPPORTUNITIES I LP	341,637
ROX II MED CENTER LP	4,227,588
SANTÉ HEALTH VENTURES II LP	24,548,884
SCF-IX LP	17,002,718
SCF-V LP	222,574
SCF-VI LP	1,654,718
SCF-VII (A) LP	491,590
SCF-VII LP	4,505,685
SCF-VIII LP	13,168,935
SERVE OPPORTUNITIES FUND I LP	37,896,345
SOUTHWEST OPPORTUNITY PARTNERS LP	59,592
TEAKWOOD CAPITAL III (CO-INVESTMENT) LP	7,989,572
TEAKWOOD CAPITAL III LP	23,953,461
VISTA EQUITY ENDEAVOR FUND II LP	4,818,348
VISTA EQUITY PARTNERS FUND VII LP	61,129,238
	<u>\$ 328,685,214</u>