

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

A meeting of the Risk Committee (the "Committee") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **March 4, 2021**, by means of video and telephone conference enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, Suite 1700, 210 West 7th Street, Austin, Texas, said meeting having been called by the Committee Chair, Robert Gauntt ("Chairman"), with notice provided to each member in accordance with the Corporation's 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 Committee:

Robert Gauntt, Chair
Janiece Longoria
Ray Rothrock
James C. "Rad" Weaver

thus constituting a majority and quorum of the Committee. 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; Carolina de Onis, General Counsel; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; Uzi Yoeli, Managing Director – Risk Management; and other employees. Other attendees were Jerry Kyle of Orrick, Herrington & Sutcliffe LLP; and Keith Brown of the UT Austin McCombs School of Business. Chairman Gauntt called the meeting to order at 1:32 p.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Minutes

The first matter to come before the Committee was the approval of the minutes of the Meeting of the Risk Committee held on December 1, 2020. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

RESOLVED, that the minutes of the Meeting of the Risk Committee held on
December 1, 2020, be, and are hereby, approved.

Compliance Reporting

Chairman Gauntt asked Ms. Gonzalez to provide an update on compliance and reporting matters. Ms. Gonzalez began by presenting the risk compliance dashboard for the quarter ended November 30, 2020. Ms. Gonzalez noted that UTIMCO was in compliance with all of the Board of Regents' investment policies and guidelines, including asset allocation, downside volatility, monitoring of manager mandate exposure, new derivatives exposure, and securities lending. She noted one issue with an external manager regarding their advisory agreement that has since been resolved. Next, Ms. Gonzalez presented the fund compliance report noting no areas out of compliance. Ms. Gonzalez then reported on the Institutional Compliance Program Report for the quarter ended November 30, 2020, the status of training, pre-clearance of trades, and compliance hotline activity. Ms. Gonzalez reported that all high-risk areas continued to be monitored and


remain well controlled with the exception of Information Technology and Security, which continues to show an opportunity for enhancement, but noted that progress is being made. Finally, Ms. Gonzalez presented the Institutional Compliance Action Plan for fiscal year 2021. Ms. Gonzalez answered the Committee Members' questions.

Market and Portfolio Risk Update

Chairman Gauntt asked Dr. Yoeli to present the market and portfolio risk update. Dr. Yoeli began with a quick Risk report summary and overview, noting that we are in a good economic environment. Next, he discussed US bear market indicators. Dr. Yoeli followed with a detailed analysis of the current economic regime, bubble monitors, and performance on a 1-year and 5-year basis as of December 31, 2020. Next, he discussed liquidity metrics and fund level leverage and concentration limits. He reviewed a list of 10 managers that risk is allocated to and discussed current risk and downside volatility attribution by relationship. Dr. Yoeli presented an update on the Internal Risk Committee for the past 3 months. He then provided the Risk system progress report and shared the Barra implementation timeline and update. He concluded with a look at 2020 liquidity management and rebalancing and recap of derivatives. Dr. Yoeli then answered questions from the Committee Members.

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at approximately 2:05 p.m.

Secretary: 
Joan Moeller

Approved:  Date: 6.29.21
Robert Gauntt, Chair
Risk Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company